Foreign Relations of the United States, 1955–1957

Volume I

Vietnam

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United States Government Printing Office
Washington
1985

H 920-10

DEPARTMENT OF STATE PUBLICATION 9423
OFFICE OF THE HISTORIAN
BUREAU OF PUBLIC AFFAIRS

For sale by the Superintendent of Documents, U.S. Government Printing Office
Washington, D.C. 20402

Preface

The publication *Foreign Relations of the United States* constitutes the official record of the foreign policy of the United States. The volumes in the series include, subject to necessary security considerations, all documents needed to give a comprehensive record of the major foreign policy decisions of the United States together with appropriate materials concerning the facts which contributed to the formulation of policies. Documents in the files of the Department of State are supplemented by papers from other Government agencies involved in the formulation of foreign policy.

The basic documentary diplomatic record printed in the volumes of the series *Foreign Relations of the United States* is edited by the Office of the Historian, Bureau of Public Affairs, Department of State. The editing is guided by the principles of historical objectivity and and in accordance with the following official guidance first promulgated by Secretary of State Frank B. Kellogg on March 26, 1925.

There may be no alteration of the text, no deletions without indicating where in the text the deletion is made, and no omission of facts which were of major importance in reaching a decision. Nothing may be omitted for the purpose of concealing or glossing over what might be regarded by some as a defect of policy. However, certain omissions of documents are permissible for the following reasons:

> a. To avoid publication of matters which would tend to impede current diplomatic negotiations or other business.
>
> b. To condense the record and avoid repetition of needless details.
>
> c. To preserve the confidence reposed in the Department by individuals and by foreign governments.
>
> d. To avoid giving needless offense to other nationalities or individuals.
>
> e. To eliminate personal opinions presented in despatches and not acted upon by the Department. To this consideration there is one qualification—in connection with major decisions it is desirable, where possible, to show the alternative presented to the Department before the decision was made.

Documents selected for publication in the *Foreign Relations* volumes are referred to the Department of State Classification/Declassification Center for declassification clearance. The Center reviews the documents, makes declassification decisions, and obtains the clearance of geographic and functional bureaus of the Department of State, as well as of other appropriate agencies of the government.

The Center, in coordination with the geographic bureaus of the Department of State, conducts communications with foreign governments regarding documents or information of those governments proposed for inclusion in *Foreign Relations* volumes.

Edward C. Keefer and David W. Mabon of the Office of The Historian compiled and edited this volume under the supervision of John P. Glennon. Lynn Chase and Rosa Pace prepared the lists of sources, names, and abbreviations. Carol A. Becker and Kay Herring supervised the preparation of the full text database and conversion to 9-track magnetic tape from which the volume was typeset.

This is the first volume published in the new *Foreign Relations* format designed jointly by the Government Printing Office and the Department of State. Sidney K. Nichols, Senior Applications Specialist in the Graphic Systems Development Divison of GPO, developed the computer typesetting format.

Rita M. Baker performed technical editing in the Publishing Services Division (Paul M. Washington, Chief). The Twin Oaks Indexing Collective prepared the index.

William Z. Slany
The Historian
Bureau of Public Affairs

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Part A. Unpublished Sources

Department of State

1. **Indexed Central Files.** Papers in the indexed central files of the Department for the years 1955–1957 are indicated by a decimal file number in the first footnote. Among the most useful of these files are 751G.00, 751G.5, 751G.5–MAP, 751G.5–MSP, and 851G.00.

2. **Lot Files.** Documents from the central files have been supplemented by lot files of the Department, which are decentralized files created by operating areas. A list of the lot files used in or consulted for this volume follows:

Conference Files, Lot 60 D 627

Collection of documentation on certain official visits of heads of government and foreign ministers to the United States and on major international conferences attended by the Secretary of State for the period 1953–1958, as maintained by the Executive Secretariat. This file is a continuation of Lot 59 D 95.

Conference Files, Lot 62 D 181

Collection of documentation on official visits by heads of government and foreign ministers to the United States and on major international conferences attended by the Secretary of State for the period 1956–1958, as maintained by the Executive Secretariat.

Conference Files, Lot 63 D 123

Collection of documentation on official visits by heads of government and foreign ministers to the United States and on major international conferences attended by the Secretary of State for the period 1955–1958, as maintained by the Executive Secretariat of the Department of State.

FE Conference Files, Lot 60 D 514

Files of conferences and meetings maintained by the Bureau of Far Eastern Affairs for the years 1956–1958.

FE Files, Lot 56 D 679

Files maintained by the Bureau of Far Eastern Affairs for the year 1955. Subjects included are country files, memoranda of conversation, and conference files.

FE Files, Lot 58 D 209

Files maintained by the Deputy Assistant Secretary of State for Far Eastern Economic Affairs for the years 1954–1957.

FE Files, Lot 59 D 19

Files maintained by the Bureau of Far Eastern Affairs for the year 1957. Sub-files include country files and memoranda of conversation.

FE/SEA Files, Lot 58 D 207

Consolidated files on Southeast Asia, primarily Indochina and Burma, for the years 1949–1956, as maintained by the Office of Southeast Asian Affairs (combines Lots 58 D 339 and 58 D 207).

FE/SEA Files, Lot 58 D 266

Miscellaneous files of the Office of Southeast Asian Affairs relating mostly to Vietnam and Cambodia for the years 1954–1956.

FE/SEA Files, Lot 59 D 630

Chronological and general files of the Office of Southeast Asian Affairs relating to Cambodia for the years 1953–1958.

FE–VN Files, Lot 66 D 193

Subject files of the Vietnam Working Group dealing with political, military, economic, aid, and administrative affairs for the years 1955–1962.

INR Files

Active files of the Bureau of Intelligence and Research.

INR Files, Lot 58 D 776

Country, subject, and administrative files relating to U.S. intelligence organizations and activities for the years 1945–1960, as maintained in the Office of the Director of the Bureau of Intelligence and Research (combines Lots 62 D 42, 61 D 67, 60 D 644, 58 D 776, 58 D 159, and 53 D 500).

INR–NIE Files

Files retained by the Bureau of Intelligence and Research containing copies of National Intelligence Estimates and Special National Intelligence Estimates, including NIE's and SNIE's for the 1952–1954 period.

OCB Files, Lot 61 D 385

Master set of the administrative and country files of the Operations Coordinating Board for the years 1953–1960, as maintained in the Operations Staff of the Department of State.

OCB Files, Lot 62 D 430

Master files of the Operations Coordinating Board for the years 1953–1960, as maintained by the Executive Secretariat.

PPS Files, Lot 66 D 70

Subject files, country files, chronological files, documents, drafts, and related correspondence of the Policy Planning Staff for the year 1955.

PSA Files, Lot 58 D 207

Certain files of the Office of Philippine and Southeast Asian Affairs for the years 1949–1955, containing primarily material on Indochina.

Secretary's Memoranda of Conversation, Lot 64 D 199

Chronological collections of the Secretary of State's memoranda of conversation and the Under Secretary of State's memoranda of conversation for the years 1953–1960, as maintained by the Executive Secretariat.

S/P–NSC Files, Lot 62 D 1

Serial and subject master file of National Security Council documents and correspondence for the years 1948–1961, as maintained by the Policy Planning Staff.

S/S–NSC Files, Lot 63 D 351

Serial master file of National Security Council documents and correspondence and related Department of State memoranda for the years 1947–1961, as maintained by the Executive Secretariat.

S/S–NSC (Miscellaneous) Files, Lot 66 D 95

Administrative and miscellaneous National Security Council documentation, including NSC Records of Action, as maintained by the Executive Secretariat for the years 1947–1963.

Saigon Embassy Files, Lot 58 F 125; Lot 61 F 22; Lot 62 F 52; Lot 66 F 89

See entries under Washington National Records Center.

State–JCS Meetings, Lot 61 D 417

Top Secret records of meetings between the Joint Chiefs of Staff and representatives of the Department of State for the period 1951–1959 and selected problem files on the Middle East for the period 1954–1956, as maintained by the Executive Secretariat.

3. **Memoranda of Interviews.** Conducted by the Staff of the Office of the Historian.

J. Lawton Collins. Conducted January 23, 1984.

Elbridge Durbrow. Conducted April 2, 1984.

Paul M. Kattenburg. Conducted December 15, 1983.

Edward G. Lansdale. Conducted September 6, 1984.

Foreign Operations Administration and International Cooperation Administration

See entries under Washington National Records Center.

Department of Defense

See also entries under Washington National Records Center.

Center of Military History, Department of the Army, Washington, D.C.

O'Daniel Papers

Papers of Lieutenant General John W. O'Daniel, United States Army, as Chief of the United States Military Assistance Advisory Group in Indochina, January 1954–October 1955.

Williams Papers

Papers of Lieutenant General Samuel T. Williams, United States Army, pertaining to his tour as Chief of the United States Military Assistance Advisory Group in Vietnam, November 1955–August 1960.

The Joint Chiefs of Staff

JCS Files

Documents obtained upon request from the Secretariat of the Joint Chiefs of Staff.

Naval Historical Center

CINCPACFLT Message Files (microfilm)

Microfilm reels of messages to and from CINCPAC and CINCPACFLT to July 1, 1959.

Radford Papers

Papers of Admiral Arthur W. Radford, Chairman of the Joint Chiefs of Staff, 1953–1957.

National Defense University

Taylor Papers

Papers of General Maxwell D. Taylor, Chief of Staff, United States Army, 1955–1959.

Dwight D. Eisenhower Library, Abilene, Kansas

Dulles Papers

Records of John Foster Dulles, 1952–1959.

National Security Council Staff Records

Includes the following elements: OCB Central Files, PSB Central File, NSC registry, OCB Secretarial Series, Executive Secretary's Subject File, Planning Coordination Group, Special Staff File, Executive Secretary's Chronological File, Miscellaneous Staff Files, and Disaster File.

Special Assistant for National Security Affairs Records

Records of the Office of the Special Assistant, 1952–1961 including records of Robert Cutler, Dillon Anderson, and Gordon Gray.

Staff Secretary Records

Records of the Office of the White House Staff Secretary, 1952–1961, including records of Paul T. Carroll, Andrew J. Goodpaster, L. Arthur Minnich, Jr., and Christopher H. Russell.

White House Office Files

Several White House office collections, including files of the Office of the Staff Secretary, and Project "Clean Up."

Whitman File

Papers of Dwight D. Eisenhower as President of the United States, 1953–1961, as maintained by his personal Secretary, Ann C. Whitman. The Whitman File includes the following elements: Name Series, Dulles–Herter Series, Eisenhower Diaries, Ann Whitman (ACW) Diaries, National Security Council Records, Miscellaneous Records, Cabinet Papers, Legislative Meetings, International Meetings, Administration series, and International File.

Hoover Institution, Palo Alto, California

Williams Papers

Papers of Lieutenant General Samuel T. Williams, United States Army. These papers pertain to General Williams' entire career.

Michigan State University Archives and Historical Collections, East Lansing

Fishel Papers

Papers of Wesley J. Fishel, adviser to President Ngo Dinh Diem and Chief Adviser of the Michigan State Vietnam Advisory Group, 1956–1958.

Hannah Papers

Papers of John A. Hannah, President of Michigan State College, later University, 1948–1969. Contains correspondence concerning the Michigan State Vietnam Advisory Group and a number of the group's reports.

Vietnam Project Archive

General Records of the Michigan State Vietnam Advisory Group, including summary reports and reports of components in public administration, economics, and police administration.

University of Montana Library, Missoula

Mansfield Papers

Papers of Senator Michael J. Mansfield of Montana.

National Archives, Washington, D.C.

J. Lawton Collins Papers (Vietnam File)

Papers of General J. Lawton Collins pertaining exclusively to his service as Special Representative in Vietnam, November 1954–May 1955. (Scheduled for transfer to Collins Papers, Dwight D. Eisenhower Library, Abilene, Kansas.)

JCS Records

National Archives Record Group 218, Records of the United States Joint Chiefs of Staff and the Chairman of the Joint Chiefs of Staff

National Security Council Records

National Archives Record Group 273, Records of the National Security Council. As of the fall of 1984, holdings included materials from the Truman and Eisenhower administrations. Principal units of this collection are National Security Policy Paper Files, Operations Coordinating Board Central Files, National Security Council Meeting Minutes, and Planning Board Records of Meetings.

Princeton University Library, Princeton, New Jersey

Dulles Papers, Dulles Daily Appointment Book

Daily log of the meetings and appointments of Secretary of State John Foster Dulles for the years 1953–1959.

Washington National Records Center, Suitland, Maryland

FOA-ICA Message Files, FRC 57 A 248, W–130 and W–131

Incoming and outgoing cables of the International Cooperation Administration for the period July 1955–June 1956.

ICA Director's Files, FRC 61 A 32, W–3057

General subject and country files from the Office of the ICA Director for the years 1955–1958.

ICA Message Files, FRC 58 A 403, W–130 and W–131

Incoming and outgoing cables of the International Cooperation Administration for the period July 1956–June 1957.

OASD/ISA Files, FRC 60 A 1025 and FRC 60 B 1025

Country files of the Office of the Assistant Secretary of Defense (International Security Affairs) for the year 1955.

OASD/ISA Files, FRC 60 A 1339 and FRC 60 B 1339

Country files of the Office of the Assistant Secretary of Defense (International Security Affairs) for the year 1956.

OASD/ISA Files, FRC 60 A 1672 and FRC 60 B 1672

Country files of the Office of the Assistant Secretary of State (International Security Affairs) for the year 1957.

Saigon Embassy Files, FRC 59 A 543, Part 8

Lot 58 F 125: Classified files of the Embassy in South Vietnam for the years 1950–1955.

Saigon Embassy Files, FRC 63 A 172

Lot 62 F 52: Classified and unclassified files of the Embassy in South Vietnam for the years 1956–1958.

Saigon Embassy Files, FRC 68 A 5159, Item 132

Lot 61 F 22: Top Secret files of the Embassy in South Vietnam for the years 1953–1955.

Saigon Embassy Files, FRC 68 A 5159, Item 133

Lot 66 F 89: Top Secret files of the Embassy in South Vietnam for the years 1955–1963.

Part B. Published Sources

The following publications, including secondary accounts, were particularly useful in the preparation of this volume. No responsibility is taken by the Department of State for the truth or accuracy of these sources.

Joseph Buttinger, *Vietnam: A Dragon Embattled*, volume II, *Vietnam at War* (New York: Praeger, 1967).

Allan W. Cameron, *Viet-Nam Crisis: A Documentary History*, volume I, 1940–1956 (Ithaca, New York: Cornell University Press, 1971).

King C. Chen, "Hanoi's Three Decisions and the Escalation of the Vietnam War," *Political Science Quarterly*, 90 (summer 1975) 239–259.

J. Lawton Collins, *Lightning Joe: Autobiography* (Baton Rouge: Louisiana State University Press, 1979).

J. Lawton Collins, Jr., *The Development and Training of the South Vietnamese Army, 1950–1972* (Washington: Government Printing Office, 1975).

Paul Ely, *Mémoires: L'Indochine dans la tourmente* (Paris: Librairie Plon, 1964).

Bernard B. Fall, *The Two Vietnams: A Political and Military Analysis*, 2d rev. ed. (New York: Praeger, 1967).

Russell H. Fifield, *The Diplomacy of Southeast Asia: 1945–1958* (New York: Harper, 1958).

George C. Herring, *America's Longest War: The United States and Vietnam, 1950–1975* (New York: John Wiley, 1979).

Edwin Bickford Hooper, Dean C. Allard, and Oscar P. Fitzgerald, *The United States Navy and the Vietnam Conflict*, volume I, *The Setting of the Stage to 1959* (Washington: Government Printing Office, 1976).

Paul M. Kattenburg, *The Vietnam Trauma in American Policy, 1945–1975* (New Brunswick, New Jersey: Transaction Books, 1980).

Jean Lacouture, *Vietnam: Between Two Truces* (New York: Random House, 1966).

Edward Geary Lansdale, *In the Midst of Wars: An American's Mission to Southeast Asia* (New York: Harper and Row, 1972).

Robert Scigliano, *South Vietnam: Nation Under Stress* (Boston: Houghton Mifflin, 1964).

Robert Scigliano and Guy Fox, *Technical Assistance in Vietnam: The Michigan State University Experience* (New York: Praeger, 1965).

Robert Shaplen, *The Lost Revolution* (New York: Harper and Row, 1965).

Ronald H. Spector, *Advice and Support: The Early Years, 1941–1960*, a volume in the series *United States Army in Vietnam* (Washington: Government Printing Office, 1983).

United States Department of Defense Study for Use of House Committee on Armed Services, *United States–Vietnam Relations, 1945–1967* (The Pentagon Papers), Book 10 (Washington: Government Printing Office, 1971).

United States Department of State, *Bulletin*, 1955–1957.

———, *American Foreign Policy, 1950–55: Basic Documents*, 2 volumes (Washington: Government Printing Office, 1957).

———, *American Foreign Policy: Current Documents, 1956* (Washington: Government Printing Office, 1959).

———, *American Foreign Policy: Current Documents, 1957* (Washington: Government Printing Office, 1961).

United States President, *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1955* (Washington: Government Printing Office, 1959).

———, *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1956* (Washington: Government Printing Office, 1958).

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Denis Warner, *The Last Confucian: Vietnam, Southeast Asia, and the West,* rev. ed. (Sydney: Angus & Robertson, 1964).

Robert H. Whitlow, *U.S. Marines in Vietnam: The Advisory and Combat Assistance Era, 1954–1964* (Washington: Government Printing Office, 1977).

Franklin B. Weinstein, *Vietnam's Unheld Elections: The Failure to Carry Out the 1956 Reunification Elections and the Effect on Hanoi's Present Outlook* (Ithaca: Cornell University Southeast Asia Program, Data Paper No. 60, 1966).

List of Abbreviations and Symbols

Adv, Adviser
AEC, Atomic Energy Commission
ARK, *Armée Royale Khmer* (Royal Cambodian Army)
ARVN, Army of the Republic of Vietnam
ASAP, As soon as possible
bn(s), battalion(s)
BOB, Bureau of the Budget
C, Office of the Counselor of the Department of State
C-IN-C, Commander in Chief
C/T, Country Team
CAS, Controlled American Source
ChiCom(s), Chinese Communist(s)
ChiNats, Chinese Nationalists
ChMAAG, Chief, Military Assistance Advisory Group
CIA, Central Intelligence Agency
CINCPAC, Commander in Chief, Pacific
CINCPACFLT, Commander in Chief, U.S. Pacific Fleet
CG, Commanding General
CNO, Chief of Naval Operations
CO, Commanding Officer
Contel, Consulate telegram
CONUS, Continental United States
COS, Chief of Staff
CVN, Central Vietnam
CVTC, Confederation of Vietnamese Trade Congresses
CY, calendar year
Def, Defense
DEPTAR, Department of the Army
Deptel, Department of State telegram
DFS, Defense Forces Support
DOD, Department of Defense
DRF, Division of Research for the Far East, Office of Intelligence Research, Department of State
DRV, Democratic Republic of Vietnam
DS, Defense support
DTG, date time group
Dulte, series indicator for telegrams from Secretary of State Dulles while away from Washington
Embtels, Embassy telegrams
ETA, estimated time of arrival
ETD, estimated time of departure
EUR, Bureau of European Affairs, Department of State
FAVN, *Forces Armées de Vietnam* (Armed Forces of Vietnam)
FBI, Federal Bureau of Investigation
FBIS, Foreign Broadcast Information Service
FCDA, Federal Civil Defense Administration
FCN, Friendship, Commerce, Navigation
FE, Bureau of Far Eastern Affairs, Department of State
FE/SEA, Office of Southeast Asian Affairs, Bureau of Far Eastern Affairs, Department of State
FEC, French Expeditionary Corps
FHC, French High Commissioner (Vietnam)
FOA, Foreign Operations Administration
FonMin, Foreign Minister
FonOff, Foreign Office
FRC, Federal Records Center
ftr sqn, fighter squadron
FY, Fiscal Year
FYI, for your information

G, Office of the Deputy Under Secretary of State; after 1955, the Deputy Under Secretary of State for Political Affairs
G–2, Army staff section dealing with intelligence at the divisional level or higher
G–5, Army staff section dealing with civil affairs at the divisional level or higher
G–6, Army staff section dealing with communication electronics at the divisional level or higher
GA, General Assembly
GNP, Gross National Product
GOI, Government of India
GRC, Government of the Republic of China
GVN, Government of Vietnam
HBM, Her Britannic Majesty's
HQ, headquarters
IAC, Intelligence Advisory Committee
IC, Indochina
ICA, International Cooperation Administration
Icato, series indicator for telegrams originating with the International Cooperation Administration
ICC, International Control Commission
IMF, International Monetary Fund
inf, infantry
INR, Bureau of Intelligence and Research, Department of State
IO, Bureau of International Organization Affairs, Department of State
ISA, Office of the Assistant Secretary of Defense (International Security Affairs)
ISC, International Supervisory and Control Commission (variation of ICC)
JAC, Joint (Armistice) Commission
JCS, Joint Chiefs of Staff
JOC, Joint Operations Center
km, kilometer
L, Office of the Legal Adviser, Department of State
L/FE, Office of the Assistant Legal Adviser for Far Eastern Affairs, Department of State
LCM, Landing Craft, Medium
LCVP, Landing Craft, Vehicle, Personnel
ln sqn, line squadron
LOC, lines of communication
LSIL, Landing Ship, Infantry, Large
LSSL, Support Landing Ship, Large
MAAG, Military Assistance Advisory Group
MAGCH, series indicator for telegrams from the Chief of the Military Assistance Advisory Group
MATS, Military Air Transport Service
MDA, Mutual Defense Assistance
MDAP, Mutual Defense Assistance Program
MSU, Michigan State University
MSUG, Michigan State University Group
mytel, my telegram
NATO, North Atlantic Treaty Organization
niact, night action; communications indicator requiring attention by the recipient at any hour of the day or night
NIE, National Intelligence Estimate
NNSC, Neutral Nations Supervisory Commission
NRM, National Revolutionary Movement
NSC, National Security Council
OASD/ISA, Office of the Assistant Secretary of Defense (International Security Affairs)
OCB, Operations Coordinating Board
ODM, Office of Defense Mobilization
OSD, Office of the Secretary of Defense
PA, project authorization
PACOM, Pacific Command
POL, petroleum, oil, and lubricants
Polto, series indicator for telegrams from the United States Permanent Representative to the North Atlantic Council
PPS, Policy Planning Staff, Department of State
PriMin, Prime Minister
PSA, Office of Philippine and Southeast Asian Affairs, Department of State
PSB, Psychological Strategy Board
RCT, Regimental Combat Team
reftel, reference telegram
Regt Hq, Regimental Headquarters
RKG, Royal Khmer Government
RLT, Regimental Landing Team
ROK, Republic of Korea
RVN, Republic of Vietnam
S/MSA, Office of the Special Assistant to the Secretary of State for Mutual Security Affairs
S/P, Policy Planning Staff, Department of State

S/S, The Executive Secretariat, Department of State
SAC, Strategic Air Command
SC, Security Council
SDC, Self Defense Corps
SEA, Office of Southeast Asian Affairs, Bureau of Far Eastern Affairs, Department of State
SEA, Southeast Asia
SEACDT, Southeast Asia Collective Defense Treaty
SEATO, Southeast Asian Treaty Organization
Secto, series indicator for telegrams from the Secretary of State (or his delegation) at international conferences
SMM, Saigon Military Mission
SNIE, Special National Intelligence Estimate
SOA, Office of South Asian Affairs, Bureau of Near Eastern, South Asian and African Affairs, Department of State
SPA, Office of Southwest Pacific Affairs, Bureau of Far Eastern Affairs, Department of State
Sp Trps, Special Troops
sqn, squadron
svc, service
SVN, South Vietnam
TACPS, Tactical Air Control Party Support
Tedul, primarily a series indicator for telegrams from the Department of State to Secretary of State Dulles while absent from Washington
TDY, Temporary Duty
TERM, Temporary Equipment Recovery Mission
TF, Task Force
Toica, series indicator for telegrams to the International Cooperation Administration
Tosec, series indicator for telegrams from the Department of State to the Secretary of State (or his delegation) at international conferences
Tousfo, series indicator for telegrams and airgrams to the Foreign Operations Administration from missions abroad
Trans Sqn, Transportation Squadron
TRIM, Training Relations Instruction Mission
TWX(S), teletypewriter exchange(s)
U/PR, Protocol Staff in the Office of the Under Secretary of State
UK, United Kingdom
UN, United Nations
UNP, Office of United Nations Political and Security Affairs, Bureau of International Organization Affairs, Department of State
USAF, United States Air Force
USDel, United States Delegation
USIA, United States Information Agency
USN, United States Navy
USOM, United States Operations Mission
USSR, Union of Soviet Socialist Republics
VBI, Vietnamese Bureau of Investigation
VM, Viet Minh
VN, Vietnamese
VNA, Vietnamese National Army
VNAF, Vietnamese Armed Forces
VNQDD, *Viet Nam Quoc Dan Dung* (National Party of Vietnam)
WE, Office of Western European Affairs, Department of State

List of Persons

Editor's Note. This list is designed to provide ready reference for identification of those persons mentioned most frequently. The identification of the persons on this list is generally limited to positions and circumstances under reference in the volume and is confined to the years 1955–1957. All titles and positions are American unless otherwise indicated. Where no dates are given, the individual usually held the position throughout the period covered by the volume.

Abbott, George M., Special Assistant for South East Asian Treaty Organization Affairs, Department of State, from August 1956

Achilles, Theodore C., Minister at the Embassy in France to May 1956; thereafter Ambassador to Peru

Aldrich, Winthrop W., Ambassador to the United Kingdom to February 1957

Anderson, Daniel V., Counselor of the Embassy in Vietnam from August 1953

Anderson, Dillon, Special Assistant to the President for National Security Affairs, April 1955–September 1956; thereafter White House Consultant

Anderson, Robert B., Deputy Secretary of Defense to August 1955; appointed Secretary of the Treasury, July 1957

Armstrong, W. Park, Jr., Special Assistant for Intelligence, Department of State, to May 1957

Ba Cut (General Le Quang Vinh), Hoa Hao dissident leader, Vietnam; executed July 1956

Bao Dai, Vietnamese Chief of State to October 1955

Barrows, Leland, Director of the United States Operations Mission in Vietnam

Bay Vien, *see* Le Van Vien

Bell, James D., Deputy Director of the Office of Philippine and Southeast Asian Affairs, Department of State, July 1955–March 1956; thereafter Director of the Office of Southwest Pacific Affairs

Bowie, Robert R., Director of the Policy Planning Staff, Department of State, to August 1955; thereafter Assistant Secretary of State for Policy Planning

Bowie, Thomas D., Political Counselor of the Embassy in Vietnam from July 1957

Burke, Admiral Arleigh A., USN, Chief of Naval Operations from August 1955

Buu Loc, Prince, Adviser to Bao Dai

Cabell, Lieutenant General Charles P., USAF, Deputy Director of Central Intelligence

Caccia, Sir Harold A., Deputy Under Secretary of State in the British Foreign Office to 1956; British Ambassador in the United States from November 1956

Carlson, Brigadier General Gunnar C., USA, Deputy Chief for Logistics and Administration of the Military Assistance Advisory Group in Vietnam from January 1957

Carney, Admiral Robert B., USN, Chief of Naval Operations to August 1955

Chapman, Christian George, Second Secretary of the Embassy in Vietnam, January 1957–December 1957

Chau, *see* Nguyen Huu Chau

Chiang Kai-shek, Generalissimo, President of the Republic of China

Chou En-lai, Premier of the State Council and Foreign Minister of the People's Republic of China

Chuong, *see* Tran Van Chuong

Collins, General J. Lawton, USA, Special Representative in Vietnam, with the personal rank of Ambassador, to May 1955

Corcoran, Thomas J., Consul in Hanoi to December 1955

Couve de Murville, Maurice J., French Ambassador to the United States to September 1956

Cumming, Hugh S., Jr., Ambassador to Indonesia to March 1957; Special Assistant to the Secretary of State for Intelligence, May 1957–October 1957; thereafter Director of Intelligence and Research, Department of State

Cutler, Robert, Special Assistant to the President for National Security Affairs to April 1955 and again from January 1957

Daridan, Jean H., Assistant Director General of Political Affairs of the French Foreign Ministry to February 1956; Assistant Director of the Cabinet of Ministers, February–July 1956; thereafter Director General of Political and Economic Affairs

Davis, Admiral Arthur C., USN, Director of the Office of Foreign Military Affairs and Deputy Assistant Secretary of Defense for International Security Affairs to October 1955

Desai, Manilal Jagdish, Chairman of the International Commission for Supervision and Control of Vietnam

Diem, *see* Ngo Dinh Diem

Dillon, C. Douglas, Ambassador to France to January 1957; Deputy Under Secretary of State for Economic Affairs from March 1957

Dulles, Allen W., Director of the Central Intelligence Agency

Dulles, John Foster, Secretary of State

Dung, *see* Tran Trung Dung

Duong Van Minh, Colonel, Commander of the Saigon–Cholon garrison during the sect crisis; raised to General, May 1955, for his support of Diem in the crisis

Durbrow, Elbridge, Minister in Singapore, October 1955–March 1957 (from November 1955, also Consul General); thereafter Ambassador to Vietnam

Eden, Sir Anthony, British Secretary of State for Foreign Affairs and Deputy Prime Minister to April 1955; Prime Minister and First Lord of the Treasury, April 1955–January 1957

Eisenhower, Dwight D., President of the United States

Elbrick, C. Burke, Deputy Assistant Secretary of State for European Affairs to February 1957

Ely, General Paul H. R., French Commissioner-General and Commander of the French Forces in Indochina to May 1955; thereafter Chief of the Army General Staff

Erskine, General Graves B., USMC, Director of the Office of Special Operations of the Department of Defense

Faure, Edgar, French Minister of Finance and Economic Affairs to January 1955; Foreign Minister, January–February, 1955; thereafter Prime Minister and President of the Council of Ministers

Fishel, Wesley R., friend of Ngo Dinh Diem and Chief Adviser of the Michigan State University Advisory Group at the National Institute of Administration in Vietnam from the spring of 1956

Fisher, William D., International Relations Officer in the Office of Western European Affairs, Department of State, to September 1956

FitzGerald, Dr. D. A., Deputy Director for Operations, International Cooperation Administration

Fox, Lieutenant General Alonzo P., USA, Military Adviser to the Assistant Secretary of Defense for International Security Affairs

Gambiez, General Louis Charles Fernand, Chief of Staff to the Commander-in-Chief of French Forces in Indochina to 1955

Gleason, S. Everett, Deputy Executive Secretary of the National Security Council

Goodpaster, Colonel Andrew J., USA, Staff Secretary to the President; promoted to Brigadier General January 1957

Gorce, Pierre, French High Commissioner in Cambodia to November 1956; thereafter French Ambassador in Cambodia

Graves, Sir Hubert Ashton, British Ambassador in Vietnam to March 1955; Minister in the United States, October 1955–July 1956

Gray, Gordon, Assistant Secretary of Defense for International Security Affairs July 1955–February 1957; Director of the Office of Defense Mobilization from March 1957

Gromyko, Andrei Andreevich, First Deputy Minister of Foreign Affairs of the Soviet Union

Guillaume, General Augustin Léon, Chief of the General Staff of the French Armed Forces to March 1956

Hagerty, James C., Press Secretary to the President

Hammarskjöld, Dag, Secretary-General of the United Nations

Haraldson, Wesley Clifford, Counselor of Economic Affairs of the Embassy in Vietnam from August 1956

Hensel, H. Struve, Assistant Secretary of Defense for International Security Affairs to July 1955

Herter, Christian A., Consultant to the Secretary of State, January–February 1957; thereafter Under Secretary of State and Chairman of the Operations Coordinating Board

Hessel, Stephane Frederic, First Counselor to the French High Commissioner to Vietnam to February 1957

Hinh, *see* Nguyen Van Hinh

Ho Chi Minh, President of the Democratic Republic of Vietnam; Chairman and General Secretary of Lao Dong Dang (Workers's Party)

Ho Thong Minh, Minister of Defense of the State of Vietnam to March 1955

Hoang Minh Giam, Minister of Information of the Democratic Republic of Vietnam to September 1955; thereafter Minister of Culture

Hoey, Robert E., Officer in Charge of Vietnam–Laos–Cambodia Affairs, Department of State, to December 1955; Special Assistant to the Secretary of State, December 1955–July 1956

Hollister, John B., Consultant to the Secretary of State, May–July 1955; thereafter Director of the International Cooperation Administration

Hoover, Herbert J., Under Secretary of State to February 1957

Hoppenot, Henri, French High Commissioner to Vietnam 1955–1956

Houghton, Amory, Ambassador to France from April 1957
Humphrey, George M., Secretary of the Treasury
Huu, *see* Tran Van Huu

Jacquin de Margerie, Roland, Director-General of Political and Economic Affairs in the French Foreign Ministry, June 1955–July 1956; thereafter French Ambassador to the Holy See
Jacquot, General Pierre Elie, Commander in Chief of the French Forces in Indochina, May 1955–April 1956
Jarvis, Francis Girard, International Economist in the Office of Philippine and Southeast Asian Affairs, Department of State, to July 1956; thereafter Officer in Charge of Economic Affairs in the Office of Southwest Pacific Affairs
Jones, Howard P., Deputy Assistant Secretary of State for Far Eastern Economic Affairs from July 1955; Deputy Assistant Secretary of State for Far Eastern Affairs from April 1957
Jozan, Vice Admiral Edouard Albert, Commmander of French Naval Forces in the Far East to 1956

Katay Don Sasorith, Prime Minister of Laos to February 1956; Deputy Prime Minister and Minister of State, March 1956–August 1957; thereafter Minister of Interior, Economy, and Social Welfare
Kattenburg, Paul M., Intelligence Research Specialist in the Division of Research for Far East of the Office of Intelligence Research, Department of State, to June 1955; detailed to Saigon, June–September 1955; Officer in Charge of Vietnam Affairs, November 1955–December 1956; thereafter Second Secretary of the Embassy in the Philippines
Kidder, Randolph A., Counselor of the Embassy in Vietnam to June 1955
Kocher, Eric, Deputy Director of the Office of Southeast Asian Affairs, Department of State, from April 1956

La Chambre, Guy Charles, French Minister for the Associated States to February 1955
Ladejinsky, Wolf, Land Reform Adviser in the United States Operations Mission in Vietnam, 1955–1956; thereafter an adviser to President Diem
La Forest, Henri, French Secretary of State for the Associated States, March–October 1955
Lai Van Sang, Sûreté Chief of Saigon to April 1955; member of the Binh Xuyen
Lam Thanh Nguyen, General, a Cao Daist commander who surrendered to government forces in June 1955
Lansdale, Colonel Edward G., USAF, Chief of the National Security Division of the Joint French-American Training Relations and Instruction Mission, Military Assistance Advisory Group in Vietnam, to December 1956
Lay, James S., Jr., Executive Secretary of the National Security Council
Le Van Ty, General, Chief of Staff of the National Army of Vietnam
Le Van Vien (Bay Vien"), Commander of Binh Xuyen, Vietnam; escaped to France, September 1955, and sentenced to death in absentia, January 1956
Lebel, Claude A., French Foreign Ministry official in charge of Cambodian, Lao, and Vietnamese Affairs, 1956

MacDonald, Malcolm, Commissioner General for the United Kingdom in Southeast Asia (Singapore) to September 1955; thereafter High Commissioner for India
Macmillan, Harold, British Minister of Defense to April 1955; Secretary of State for Foreign Affairs, April–December 1955; Chancellor of the Exchequer December 1955–January 1957; thereafter Prime Minister and First Lord of the Treasury

Makins, Sir Roger M., British Ambassador to the United States to October 1956; thereafter Joint Permanent Secretary of the Treasury

Mansfield, Mike, Democratic Senator from Montana; Member of the Senate Foreign Relations Committee

Massigli, René Lucien, Secretary General of the French Foreign Ministry

Mau, *see* Vu Van Mau

McClintock, Robert, Ambassador to Cambodia to October 1956; member of the Policy Planning Staff, Department of State, January 1957–December 1957

McKesson, John A., Second Secretary of the Embassy in Vietnam to January 1957; First Secretary, January 1957–July 1957; thereafter First Secretary of the Embassy in France

McKillop, David H., Foreign Affairs Officer in the Office of the Special Assistant to the Secretary of State for Atomic Energy Matters, August 1955–November 1956

Meloy, Francis E., Jr., First Secretary of the Embassy in Vietnam to March 1956; thereafter First Secretary of the Embassy in France

Mendès-France, Pierre, French Prime Minister and Foreign Minister to February 1955

Menzies, Robert Gordon, Prime Minister of Australia

Millet, René, French Diplomatic Counselor to the International Supervision and Control Commission; Counselor to the High Commissioner of France in Vietnam to November 1956

Minh, *see* Duong Van Minh

Minh, *see* Ho Thong Minh

Molotov, Vyacheslav Mikhailovich, First Vice-Chairman of the Soviet Council of Ministers and Member of the Presidium of the Central Committee of the Soviet Communist Party to July 1957; Soviet Minister for Foreign Affairs to June 1956; Minister of State Control, November 1956–July 1957; Ambassador to Mongolia from August 1957

Murphy, Robert D., Deputy Under Secretary of State for Political Affairs

Nehru, Pandit Jawaharlal, Prime Minister of India and Minister for External Affairs and Commonwealth Relations

Ngo Dinh Can, Brother of Ngo Dinh Diem (unofficial boss" of Hue and central Vietnam)

Ngo Dinh Diem, President of the Council of Ministers of the State of Vietnam to October 1955; thereafter President and Chief of State of the Republic of Vietnam

Ngo Dinh Luyen, Ambassador-at-large of Vietnam; Vietnamese Ambassador to the United Kingdom from March 1956; youngest brother of Ngo Dinh Diem

Ngo Dinh Nhu, Secretary-General of the Personalist Labor Revolutionary Party of Vietnam; brother and adviser to Ngo Dinh Diem

Nguyen Huu Chau, Vietnamese Secretary of State at the Presidency and Secretary of the Interior from May 1955

Nguyen Ngoc Tho, Minister of National Economy to December 1956; thereafter Vice President of the Republic of Vietnam

Nguyen Thanh Phuong, Vietnamese Minister of State until May 1955; Commander of Cao Dai forces

Nguyen Van Hinh, former Vietnamese Chief of Staff of the Army

Nguyen Van Tam, former Vietnamese Prime Minister and Minister of the Interior

Nguyen Van Thoai, Vietnamese Minister of Reconstruction to April 1955

Nguyen Van Vy, General, Inspector General of the Vietnamese National Army; named Chief of Staff by Bao Dai on April 28, 1955, but fled to Dalat on May 1, 1955, then to France; sentenced to death in absentia, January 1956

Nixon, Richard M., Vice President of the United States

Nolting, Frederick E., Jr., Special Assistant to the Secretary of State for Mutual Security Affairs to September 1955; First Secretary of the Embassy in France.

September–December 1955; Minister from December 1955; Political Adviser to the Chief of the Mission to the North Atlantic Treaty Organization and the Mission to the European Regional Organization in Paris from December 1955–October 1957; thereafter Deputy Representative on the North Atlantic Council and Deputy Chief of the Mission to the European Regional Organization in Paris

O'Connor, Roderic L., Special Assistant to the Secretary of State to December 1955; Deputy Assistant Secretary of State for Congressional Relations, December 1955–May 1957; thereafter Administrator of the Bureau of Security and Consular Affairs

O'Daniel, Lieutenant General John W., USA, Chief of the Military Assistance Advisory Group, Indochina to October 1955

Palmer, Gardner E., Counselor of the Embassy in Vietnam to October 1956; also Deputy Director of the United States Operations Mission in Vietnam from March 1955; detailed to the International Cooperation Administration, October 1956–July 1957; thereafter Deputy Assistant Secretary of State for Far Eastern Economic Affairs

Parkes, Roderick Wallis, British Ambassador to Vietnam, 1957

Parthasarathi, Gopalaswami, Indian Chairman of the International Commission for Supervision and Control for Vietnam to 1957; thereafter Indian Ambassador to Indonesia

Pearson, Lester B., Canadian Secretary of State for External Affairs; Canadian Representative to the United Nations General Assembly, November 1956–June 1957; Canadian Representative to the United Nations General Assembly, November 1956–March 1957

Pham Cong Tac, Cao Dai Pope", Vietnam

Pham Van Dong, Premier and Minister of Foreign Affairs of the Democratic Republic of Vietnam from September 1955

Pham Huy Quat, former Vietnamese Minister of Defense

Phleger, Herman, Legal Adviser of the Department of State to April 1957

Phuong, *see* Nguyen Thanh Phuong

Pinay, Antoine, French Minister of Foreign Affairs, February 1955–January 1956

Price, C. Hoyt, Officer in Charge of Vietnam, Laos, and Cambodia Affairs, Department of State, from April 1956

Quat, *see* Pham Huy Quat

Radford, Admiral Arthur W., Chairman of the Joint Chiefs of Staff to August 1957

Reinhardt, G. Frederick, Ambassador to Vietnam, April 1955–February 1957; Counselor of the Department of State from March 1957

Rhee, Syngman, President of the Republic of Korea

Richards, Arthur L., Operations Coordinator in the Office of the Under Secretary of State from January 1956

Ridgway, General Matthew B., USA, Chief of Staff, United States Army, to June 1955

Robertson, Reuben B., Jr., Deputy Secretary of Defense, August 1955–April 1957

Robertson, Walter S., Assistant Secretary of State for Far Eastern Affairs

Roux, Jacques, Deputy Director General of Political Affairs in the French Foreign Ministry to July 1956; Director of the Cabinet of the Foreign Minister, August 1956–November 1957; thereafter again Deputy Director General of Political Affairs

Saint-Mleux, Andre, Chief of Cabinet of the French Minister of State for the Associated States to February 1955; Counselor to the Cabinet of the Delegate

Minister to the President of the Council, March–October 1955; Director General of Political Affairs in the Foreign Ministry, October 1955–June 1957

Sainteny, Jean, Delegate General of France in North Vietnam

Sam Sary, Life Member of the King of Cambodia's High Council; Vice Premier, Minister of Economic Affairs, Finance, Planning and National Education, October 1955–January 1956

Sang, *see* Lai Van Sang

Scott, Sir Robert Heatlie, Minister of the British Embassy in the United States to October 1955; thereafter Commissioner General for the United Kingdom in Southeast Asia (Singapore)

Scott, Walter K., Director of the Executive Secretariat, Department of State, to August 1955; thereafter Deputy Director for Management of the International Cooperation Administration

Sebald, William J., Deputy Assistant Secretary of State for Far Eastern Affairs to March 1957; thereafter Ambassador to Australia

Sihanouk, Norodom, King of Cambodia to March 1955, thereafter Prince of Cambodia; Prime Minister and Foreign Minister, October 1955–January 1956; Prime Minister, Foreign Minister, and Minister of the Interior, March–April 1956; Prime Minister, September–October 1956; Prime Minister, Foreign Minister, Minister of Plans, and Minister of the Interior, April–July 1957

Smith, Walter Bedell, former Director of Central Intelligence and Under Secretary of State

Soai, *see* Tran Van Soai

Son Ngoc Thanh, Cambodian Democratic Party leader

Sprague, Mansfield D., General Counsel, Department of Defense to February 1957; thereafter Assistant Secretary of Defense for International Security Affairs

Stassen, Harold E., Director of the Foreign Operations Administration and Deputy Representative on the United Nations Disarmament Commission to March 1955; thereafter Special Assistant to the President

Stelle, Charles C., Member of the Policy Planning Staff, Department of State, to August 1956; Assistant Secretary of State for Policy Planning, August 1956–August 1957; thereafter Counselor of the Embassy in Iran

Stephenson, Sir Hugh Southern, British Ambassador to Vietnam to May 1957; thereafter Consul General in New York

Stump, Admiral Felix B., USN, Commander in Chief, Pacific Command and Commander in Chief, Pacific Fleet

Sturm, Paul J., Foreign Service Officer attached to General Collins' staff in Saigon to May 1955; formerly Consul in Hanoi, February 1952–October 1954

Tac, *see* Pham Cong Tac

Taylor, General Maxwell D., USA, Commanding General, United States Army Forces, Far East and Eighth United States Army and Commander in Chief, United Nations Command, to March 1955; Commander in Chief, Far East Command, April–June 1955, thereafter Chief of Staff, United States Army

The, *see* Trinh Minh The

Tho, *see* Nguyen Ngoc Tho

Thoai, *see* Nguyen van Thoai

Tomlinson, Frank Stanley, Head of the Southeast Asia Department of the British Foreign Office

Tran Trung Dung, Vietnamese Deputy Minister of Defense, May–October 1955; thereafter Assistant Secretary of State for Defense

Tran Van Chuong, Vietnamese Ambassador to the United States

Tran Van Do, Vietnamese Minister of Foreign Affairs to May 1955

Tran Van Don, Colonel, promoted to General in Vietnamese National Army for support of Diem during sect crisis, April–May 1955
Tran Van Huu, former Prime Minister of Vietnam
Tran Van Soai, Vietnamese Commander of Hoa Hao Forces and Minister of State to March 1955
Trinh Minh The, Cao Dai General in Vietnamese National Army from February 1955; killed in Saigon fighting, May 1955
Truong Chinh, General Secretary of the Lao Dong Dang (Worker's Party) of the Democratic Republic of Vietnam
Twining, General Nathan F., USAF, Chief of Staff, United States Air Force to June 1957; Chairman of the Joint Chiefs of Staff from August 1957
Ty, *see* Le Van Ty
Tyler, William R., Deputy Director of the Office of Western European Affairs, Department of State, to February 1957; thereafter Director of the Office

Van Laethem, Gabriel, Counselor on the staff of General Ely to May 1955
Vo Nguyen Giap, General, Commander in Chief of the Vietnam People's Army, Democratic Republic of Vietnam; also Vice Premier from September 1955
Vu Van Mau, Vietnamese Minister of Foreign Affairs, May–October 1955; thereafter Secretary of State for Foreign Affairs
Vy, *see* Nguyen Van Vy

Whittington, Floyd L., Officer in Charge of Economic Affairs in the Office of Southeast Asian Affairs, Department of State, from August 1956
Williams, Lieutenant General Samuel T., USA, Chief, Military Assistance Advisory Group, Indochina, October 1955; Chief, Military Assistance Advisory Group, Vietnam from November 1955
Wilson, Charles E., Secretary of Defense to October 1957
Wintrebert, Michel, Second Counselor of the French Embassy in Vietnam
Wisner, Frank G., Deputy Director for Plans, Central Intelligence Agency

Young, Kenneth T., Director of the Office of Philippine and Southeast Asian Affairs, Department of State, January 1955–April 1956; thereafter Director of the Office of Southeast Asian Affairs

VIETNAM[1]

I. CONSOLIDATION OF THE DIEM GOVERNMENT, JANUARY–MAY 1955: UNITED STATES AND FRENCH TRAINING RESPONSIBILITIES IN VIETNAM; CONSIDERATION OF REPLACEMENT OF DIEM; THE SECT CRISIS IN SAIGON; DECISION TO SUPPORT DIEM

1. Letter From the Acting Director of the Office of Philippine and Southeast Asian Affairs (Young) to the Special Representative in Vietnam (Collins)[2]

Washington, December 15, 1954.

Dear General: I have been hoping to find time to write you a letter about a few things that are better expressed in this manner than by telegram.

First, I can hardly convey the sense of reassurance and appreciation which your efforts have created in Washington. Your telegrams are followed closely and discussed in all the agencies, in all the departments and at all levels. We like the hard-hitting, businesslike approach of your seven-point program.[3]

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[1] For previous documentation on Vietnam, see *Foreign Relations*, 1952–1954, volumes xii, Part 1, xiii, and xvi.

[2] Source: Collins Papers, Vietnam File, Series VII, Z; attached to a letter from Collins to Young, December 31. Secret; Official–Informal.

[3] On December 13, 1954, Generals Collins and Ely signed for their respective countries a memorandum of understanding on development and training of autonomous Vietnamese armed forces. The memorandum consisted of seven paragraphs which are summarized as follows:

I. Subject to American approval, the Vietnamese force structure to be attained by July 1, 1955 to total 77,685 military and 4,000 civilian personnel.

II. Reduction to this level by selective discharge of the least effective personnel of the Vietnamese National Army (VNA).

III. Full autonomy (all units in the VNA commanded and staffed by Vietnamese personnel) to be granted by France to South Vietnam not later than July 1, 1955.

IV. Responsibility for assisting South Vietnam in organizing and training its armed forces to be assumed by the Chief, U.S. Military Assistance Advisory Group (MAAG) under the overall authority of the French Commander-in-Chief in Indochina.

V. Chief, MAAG to recognize this authority in strategic and security matters.

VI. U.S. and French personnel assigned as advisers and instructors to the VNA to be under the direction of the Chief, MAAG.

VII. These arrangements and agreements to be subject to the consent of the Government of Vietnam.

For the complete text of this memorandum and an accompanying memorandum for the record, see telegram 2261, December 14, 1954, *Foreign Relations*, 1952–1954, vol xiii, Part 2, p. 2366

The big problem is still effective leadership in Viet-Nam. I realize Diem's deficiencies in providing dynamic, positive, dramatic energy and force at a time when it is so desperately needed. This is the one component above all that no foreign country or external aid program can supply. A country either has a leader and a unified following or it doesn't. My own thinking is that time may evolve a leadership group in Viet-Nam if there is time. Sometimes under pressure nations like people rise to unknown heights. It is too early to tell whether there is any hope in Viet-Nam for this larger dimension and stature. Diem is a good man and a resonant untarnished symbol of Nationalism. That is a precious ingredient. With it we can perhaps appeal to the Vietnamese people in the north and in the south to rally behind an effective government in a program of national reform. It could spike the Communist propaganda guns. It could attract the support and assistance of our other Asian friends. So many Asian representatives in Washington have told me how glad they are the United States is supporting Diem and not some puppet or profiteer.

As a practical matter the government of a national union around Diem is a good formula if Diem can bring in a few strong competent men like Quat. We here in the Department have thought of this formula as meaning Diem would concentrate primarily on serving as spokesman and voice for Free Vietnamese Nationalists. The running of the government would be left to something of an executive vice president who might be Quat, in charge of key ministries such as defense, interior, national economy, etc. An emergency council or national council would frame up the major policy decisions for Diem's approval. You know the obstacles to this better than I do—the jockeying for power and the jealous rivalries.

In any event it seems to me that the question of succession as well as the problem of Bao Dai can best be handled if originated out of genuine Vietnamese impulses. The problem we have had with the French regarding Diem for the past three months is primarily to avoid a political crisis and the selection of a successor which would appear dictated by the French. In my opinion, the promptings for the new premier would be more effective if arising from the Vietnamese themselves—perhaps with discreet proddings here and there, if the time ever comes.

For the moment the Department fully agrees that the time has not yet come to consider actively the question of succession. Some of us are keeping it in the back of our minds and studying possibilities amongst ourselves, I assure you. Of course Senator Mansfield believes that there isn't much else besides Diem and the process of replacement would create far more chaos and confusion than is even present today in Free Viet-Nam.

I would like to continue this letter just a little longer to refer to recent press items about your discussions with General Ely. Most of this has been dribbling out since Mendes-France came to Washington. The press got the first notion of our general approach from French background briefings during his visit to Washington. But nothing much appeared at that time. Then there were a few articles in the Paris press on the Vietnamese force levels. The whole business came to a head in the article in the *U.S. News & World Report* dated December 10 entitled "U.S. Inherits Another Headache—French Turns Over Indo-China Job to America". This gave figures substantially accurate, and an account of US-French exchange of views embarrassingly complete. About the time this appeared, the *Time* correspondent came in to see me with a cable from the *Time* office in Paris along the same line as the *U.S. News & World Report* article. I was informed that the Paris office had received the story from French sources.

We have, of course, tried to keep the security questions under close wraps and are just as concerned and even shocked as you probably are to have this all out in public print before the programs are completed. The hard-bitten fellows around here shrugged their shoulders and said "that's what always happens with the French".

In closing, may I earnestly ask that you let me know by letter or otherwise whether or not we are giving you adequate backstopping here in Washington. Please let me know how we can improve our help to you.

With very best wishes,

Sincerely,

Ken

Kenneth T. Young, Jr.

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2. Memorandum From the Chief of the National Security Division, Training Relations Instruction Mission (Lansdale) to the Special Representative in Vietnam (Collins)[1]

Saigon, January 3, 1955.

1. Here is some New Year's thinking about the problem you and we face, and a request.

2. As a start, it is worth taking a look at the real value of the chips given to you by President Eisenhower for the game we are

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[1] Source: Collins Papers, Vietnam File, Series VII, L. Secret.

playing here. The chips are our direct aid to the Vietnamese. To most Americans, they mean money, material, and technical (advisory) manpower. In the eyes of the world, and especially Asia, they mean something more. In this view, the value of the chips becomes Asia itself and parts of the Middle East.

3. The Asian view is that "direct aid" means that Communism's strongest enemy, the United States, is now in close support of the Free Vietnamese against the Communists. Certainly each of the free nations which has a pact with the United States, in which we will give them close support against the Communists, sees a bit of itself in the situation of the Vietnamese. And, each of those nations, in varying degree, will be measuring what our support actually means. Thus, if we lose here or withdraw however gracefully, politically powerful people in those nations will read their own futures into our action. This means that the do-business-with-China folks of Japan, the anti-American-bases folks of the Philippines, and so on, will find their arguments strengthened locally to the critical strain point for the United States in places we now find difficult enough under neutralist and Communist political pressures. This is far beyond the usual observation of the loss of Vietnam opening Southeast Asia to the impact of Communist dynamism, which is dangerous enough in itself.

4. Thus, I feel that we have too much to lose to consider loosing [*sic*] or withdrawing. We have no other choice but to win here or face an increasingly grim future, a heritage which none of us wants to pass along to our offspring.

5. What will it take to win? It is going to take everything we are now doing and planning to do, plus more—and I believe that the "more" now exists here as a potential awaiting proper employment.

6. I have narrowed down the elements we need for winning the present struggle here to three, which is perhaps over-simplifying. I believe that if we can make these three elements a reality here, the initiative will pass to us and we will start winning. I feel, further, that we must have clear evidence by June 1955 that we can make the three elements a reality. They are:

a. Successful teamwork
b. Strengthen the free Vietnamese
c. Make the bulk of the population willing to risk all for freedom

7. *Successful teamwork.* The enemy is enjoying considerable success in his teamwork, among the Vietminh, between Vietminh and supporting population, and between Chinese advisors and Vietminh. We have a distance to go before we can match this teamwork, even among us Americans here, for several reasons (including the slower

progress of our type of discipline as compared to the "iron discipline" of the Communists). Competent friendly observers have told me of dangerous frictions existing among key members of the U.S. team here; perhaps the root cause of such friction is that we still are not in agreement on exactly what the U.S. wants to achieve here regardless of risk, exactly how to achieve such result, and exactly who will undertake specific parts of the whole mission.[2] This root cause undoubtedly is fertilized by any personal antipathies arising out of the strains we have all been under in trying so hard to solve problems here. Most of these frictions can be eased through the mechanisms you have established already.

8. Our teamwork with the French, as fellow westerners in an Asian area, has progressed well despite many handicaps.[3] However, this teamwork has grown more and more into a secretly tripartite type of working arrangement, in practice we incorporate a substantial amount of French thinking in our plans and advice, rather than the bipartite working arrangement originally described by you and as our public policy, wherein we inform the French of our intents, then take the matter up with the Vietnamese. This can lead to the same mistakes being made in all major fields which helped weaken the free world's position here prior to Geneva, by causing the adoption of methods which offer prime targets to the Communists in promulgating their "total-mass protracted resistance". I feel that we must not visibly help extend French influence into areas of present non-influence; we must be steadfast to our own principles which gave us strength while being the friendly ally. Perhaps some handicaps to our teamwork with the French could be overcome if a mechanism were constructed to nullify the rumors which course through French circles re U.S. intents here.

9. A great deal of thought and effort has been given to our teamwork with the Vietnamese. However, there still seems to be some confusion on our part between partisanship and desired objectives, capabilities of the Vietnamese, and the most rewarding methods of doing business with them. There seems to be an increasing suspicion of our good intentions and ability to help successfully, which if it grows unchecked can endanger our whole effort here; an intensification of personal contacts all down the line of the American team with individual Vietnamese, on a footing of equality, and with patient explanation of reasons for requests or advice, would help. We must hold and extend our friendships among the Vietnamese, in

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[2] The following handwritten marginal note by Collins appears beside the second and third sentences of this paragraph: "Rumors from newspapermen based on cocktail stories. C"

[3] Collins' following handwritten marginal note appears beside the first sentence of this paragraph: "Not so. C"

order to give successful meaning to our aid, since we are now looked upon as the only strong true friend of Vietnam (other than China and the Soviets) and probably are the only catalysts who can induce the Vietnamese on our side to unify.

10. Teamwork among the Free Vietnamese has progressed slowly. There is still too much partisanship, distrust, and obstructive jealousy. Prominent among the remedies for this complex trouble are: growth of effective people–government–army cooperation, hope of establishment of some form of representative government which the people and factions of people feel honestly represents [them], and, perhaps, development of political techniques among leaders (apt bestowal of praise, interest in individual welfare, informing the people adequately of the state of the nation with emphasis on plus factors, and so on).

11. *Strengthening Vietnamese.* I am concerned about whether all our aid and efforts here will strengthen the Vietnamese or merely make them more dependent upon us. Certainly none of us who must justify actions eventually at home would desire to place the U.S. in the position of continuing major help here for endless years, on the basis that if our aid were lessened then the enemy would win. Certainly the responsible Americans here would like to see the Vietnamese capably assuming an increasing share of their own burdens in all fields of national life.

12. Thus, I would like to see our efforts here geared as completely as possible to the operating philosophy of helping the Vietnamese to help themselves, not only Vietnamese government or army, but the people themselves. It will mean insisting on more extensive and effective use of our help by the Vietnamese—and our acceptance of workable Vietnamese standards rather than our own perhaps to a greater extent. This will increase proprietary interest in what is constructed (whether it be army division or individual farm), build the muscularity of national abilities, and start giving the Free Vietnamese the confidence in their own competence which the Vietminh have demonstrated so remarkably on their side. These are all factors of strength in a struggle with the Communists. It is also true that a man is more apt to defend what he has constructed for himself—and we will strengthen the Free Vietnamese as we increase the size or amount of what they want to defend from the Communists.

13. *Willingness to risk all for freedom.* Mao Tse-tung once clearly expressed a basic fact in the type of struggle we are now engaged in here by stating: "There is no possibility for it (he was speaking of guerrilla warfare) to survive and develop once it is cut loose from the people or fails to attract the participation and co-operation of the broad masses". The Vietminh have learned this lesson well, applied it in their military guerrilla warfare prior to the Cease-Fire, and are

now applying it south of the 17th Parallel in their political guerrilla warfare. Our defeat is certain unless we learn and apply this same lesson of today's warfare, and do so more effectively than the enemy. We must face up to the fact our side was "cut loose from the people" in too many areas we must now win back, and our method of winning them back must be to attract their participation and cooperation in what we free people do and cherish, not force, scare or coerce, but attract.

14. How do we attract people to our side, hold them, and develop in them a willingness to risk their lives and fortunes if need be for liberty or freedom? Our approach, and the approach of all forces and organizations on our side, must be as friends (not as bossy supervisors, not as cops as envisioned in the so-called "pacification" plans produced under the influence of 1946–53 here, not as dressed-up speechmakers appearing briefly before the "peasants", not as purveyors of masses of printed arguments to the illiterate).

15. If the entire team on our side makes the right approach to the people, we will have taken the first major step in attracting people to our side. We must then set about convincing, and accomplishment is most convincing, the people that their own future (and that of their children and children's children) will be more rewarding under our system than under Communism—more rewarding politically or socially, economically, and spiritually. When the hope of such a rewarding future is raised within the people, coupled with hope of its possible attainment (which includes military means to protect the attainment), then the first big cleavage between the Communists and the bulk of the population will start taking place.

16. Much of the program you outlined soon after your arrival here as Ambassador is intended to establish and protect a rewarding future for the Free Vietnamese. However, a critical piece appears to be missing: giving the people a truly representative government. This must be keyed around a charter or constitution which sets forth plainly how the people have their own government and a bill of rights. A national assembly or congress would fail to satisfy an urgent need unless it were pointing towards the writing and adoption of a constitution in the soonest possible future. The Vietminh have beaten us at this basic national principle of ours (proof again of the skill of the Vietminh enemy) and even rubbed our noses in the beating by generous use of verbiage from the U.S. Constitution. Our strong point is that their document does not do what the constitution of a free people can—and the sooner we have such a document, the sooner we can start making this plain to the people. The political hazards of getting such a document are considerable, but these hazards must be risked and can be kept to a minimum by adroit tactical development.

17. Along with moving as rapidly as possible towards a Constitution, the Free Vietnamese must establish government and the benefits of government as rapidly as possible throughout Vietnam south of the 17th Parallel. This is what we have termed "national action", of which military "pacification" is an integral part. It is the approach to the people and the first means of raising hopes within them, as mentioned in paragraph 15 before. Neither Vietnamese government operations currently on "national action", nor U.S. actions to help, are too well coordinated today. Which brings me to my request.

18. *Request.* It is requested that you bring about a coordination of the efforts of our entire team, starting with the U.S. team and, through them, the Vietnamese and French, in the fields of "national action". As a member of your personal staff, I would like to devote the major share of my time as your deputy or assistant or staff member in such coordination work. Officers associated with me are capable of effective help in this field. We would be able to re-commence the meetings formerly held by us which had made a good start towards a workable operation, in conjunction with all interested U.S. and Vietnamese agencies. This time, we could add the French, if desired.[4]

19. The basis for my request is that I believe I can help you most in this way and that I have recently had three years' experience in a similar field under similar conditions. Neither I nor any officers associated with me are seeking more work or to deter or detract from the work of others. We do seek the opportunity to come to firm grips with a most pressing problem and to help the rest of the U.S. team in their work on it. This we cannot do unless given the mission by you.

Ed

Edward G. Lansdale

Colonel USAF

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[4] The following handwritten marginal note by Collins appears beside paragraph 18: "Designated Lansdale to coordinate our phases of program *under* Gen. O'Daniel's direction. C"

3. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, January 3, 1955—7 p.m.

2554. References: (a) Paris telegram 422 Saigon, 2770 Department;[2] (b) Paris telegram 427 Saigon, 2776 Department;[3] (c) Deptel 2644[4] (paragraph 3).

1. Reference telegrams (a) and (b) reflect what I believe to be misunderstanding regarding Ely–Collins memo of understanding. It was never my intention that memo of understanding itself would be submitted to Vietnamese Government. I made such statement to Ely in unequivocal terms, and it was my understanding that he agreed. Our intention was that memo would be strictly bilateral arrangement between us, and as such need not be shown to Vietnam Government. Last paragraph of understanding was included in attempt to avoid offending Vietnamese sensibilities should text of understanding become known, since in any case cooperation of Vietnam Government in program affecting its forces is essential to success.

2. Ely and I discussed problem of how best to approach Diem. We were in general accord that program for support and training of Vietnam forces should not be presented to him as fait accompli in form of prior US-French agreement, but as reasonable proposal that justified his support. Ely generally agreed with my suggestion that announcement of agreed program of US and French support for reorganization and training of Vietnam forces should come from Diem himself in manner designed to enable him to get credit for enlisting French and US aid in strengthening Vietnam Armed Forces.

3. It appears to me that French idea of redrafting understanding in form of French-US recommendations to be made to Vietnam Government suffers same objections as would presentation of understanding in its present form, since joint recommendations would have had to be agreed upon by France and US in advance of their submission to Vietnamese. Furthermore, force structure as contained in annex to understanding has already been made available to Vietnamese. I have discussed it with Minh as has General O'Daniel and MAAG, and Vietnamese General Staff has it under study.

4. As soon as we obtain French approval of minute of understanding on training, I intend to take up the substance of this matter

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[1] Source: Department of State, Central Files, 751G.5/1–355. Top Secret; Niact. Passed to the Department of Defense and repeated to Paris.

[2] Dated December 31, 1954; for text, see *Foreign Relations*, 1952–1954, vol. XIII, Part 2, p. 2440.

[3] Not printed, but see *ibid.*, p. 2441, footnote 4.

[4] Dated December 29, 1954; for text, see *ibid.*, p. 2435.

directly with Diem after informing Ely. Will also again discuss with Ely suggestion mentioned in last sentence paragraph 2 above.

[Collins][5]

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[5] This and all other telegrams from Collins in Saigon were sent to Washington in the regular Department of State series over Kidder's name.

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4. Telegram From the Consul at Hanoi (Corcoran) to the Department of State[1]

Hanoi, January 3, 1955—9 a.m.

598. Brief end December survey Hanoi political situation follows:

(1) Presence Viet Minh army still dominated Hanoi scene with sentries, patrols and various troop formations much in evidence. Preparations for celebration national resistance anniversary (December 19), birthday of army (December 22) and mass demonstration anticipated for end of month brought many people into city from outlying areas. There was lavish and expensive preparation of "Red Square". Streets were decorated and illuminated especially around Petit Lac. Flags and triumphal arches again appeared. There was much preoccupation with anti-American propaganda in form of press and radio attacks and meetings of various groups to denounce alleged US intention destroy Geneva agreement. At same time official attitude of friendliness towards French became apparent in official pronouncement meeting general press and radio coverage. Near end of month there was much drilling and marching in streets by school children and occupational groups in preparation for mass demonstration. Consulate learned that political indoctrination of school children and workers at telephone and electric companies was being stepped up. Nevertheless there was no tangible evidence of any anti-American feeling among population in general. There were several instances of insolent and provocative behavior by military sentinels towards American personnel but other foreigners experienced similar treatment. Curfew was suspended on Christmas Eve and on New Years Eve. Usual propaganda trappings such as posters, flags and banderoles were widely disseminated. Food stores carried wide varie-

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[1] Source: Department of State, Central Files, 751G.00/1–355. Secret. Also sent to Saigon and repeated to Paris by pouch.

ty Russian, Chinese and Viet Minh Communist propaganda including some English language pamphlets.

(2) Hanoi Military and Administrative Committee while still officially running city seemed to fade into background while its subordinate administrative committee, an all civilian unit, assumed more prominence. Ho, Dong, Giap and Giam made more frequent public appearances and it seemed likely that some DRV government departments had set up branches in city. French and other observers still reported Viet Minh display of inefficiency in coping with problems of city administration but on surface at least local authorities discharged basic municipal functions of traffic police, water, light and power supply and street cleaning et cetera in effective manner. Have not solved foreign exchange problem on regular basis and their finances reported to be in chaotic state. All French technicians except those attached in managerial capacity to Pasteur and cancer institutes, cliniques Saint Paul, Tramway Company and faculty Lycee Albert Sarraut and some at university reported to have left. However there were no confirmed reports that Communist foreign aid had replaced French technicians in any capacities.

(3) Strictness Viet Minh security measures was not relaxed and in some instances seemed to have been tightened. There was closer military surveillance of ICC occupied buildings and there appeared to be closer police coverage of city's outskirts. Police surveillance American and British Consulates became less ostentatious but no less effective. Actions military sentries seemed arbitrary and capricious perhaps reflecting lack of indoctrination in responsibilities and principles. At different times I have been saluted, ignored or threatened with weapons by sentries. Vietnamese and ICC personnel in center of town frequently ignored curfew without difficulty but even ICC personnel had difficulty in more remote parts of city. Army and police patrol coverage of city at night continued and restrictions on travel outside remained in force.

(4) Certain stresses and strains were increasingly evident within ICC and even within Indian delegation. ICC prepared interim report as of end December for presentation to co-chairmen Geneva Conference. Report as finally approved represented compromise conflicting views three members. . . . We had the impression that Canadians always friendly but sometimes over cautious about offending Viet Minh had taken extra pains during Christmas season to demonstrate friendliness for American Consulate.

(5) Polish and Czech Ambassadors arrived to join Communist diplomatic corps. Although ChiComs continued occupy secondary place after Russians as far as Viet Minh propaganda concerned they stole limelight for few days with announcement Sino-Viet Minh accord for ChiCom aid in reconstruction railroad, highway, airport

and telecommunications facilities. Agreement received only moderate propaganda treatment and we were able to get little comment from foreign observers. We believe it one of most significant developments since armistice since, in principle at least, it represented projection of ChiCom military power well into North Vietnam.

(6) There was general agreement that first phase of Sainteny mission[2] had ended with signature December 10 accords. Tangible achievements this mission remained negligible so far as protection French economic interests concerned since Viet Minh made no real concessions to French other than those that would fit into general Communist propaganda campaign of "peaceful co-existence". However, Sainteny did succeed in laying groundwork for further Franco-Viet Minh negotiations on superficial basis of friendship and equality. Most French firms in Haiphong had not yet decided whether or not to seek specific arrangements with Viet Minh under terms December 10 accords. Probably awaiting outcome talks between Charbonnages Tonkin and Viet Minh. Sainteny presented credentials in form of letter from French Prime Minister to DRV Prime Minister. Whatever legalistic quibbling French may do concerning nature these credentials he became to all intents and purposes diplomatic representative of French Government to DRV and functioned openly as such. (Received formal visit from Soviet Ambassador and paid formal visit to Foreign Minister.) Sainteny, his Chef de Cabinet and his financial expert are all now in Paris. It is generally believed Sainteny will return near end January with French Government instructions concerning next phase his operations.

(7) British ConGen's position became more regularized. He established fairly frequent courier service to and from Haiphong and travelled to Hong Kong and Saigon. Local authorities officially entertained him and invited him to public ceremony. Same applies Indian consular agent. Apostolic Delegate continued remain as inconspicuous as possible although he flew papal colors Christmas Day.

(8) Press and radio gave primary attention to campaign against US intention destroy Geneva Agreement by building up power national government Vietnam in Saigon. Campaign [garble] to be building up to mass demonstration scheduled for January 1.[3] Secondary theme was US "incitement" evacuation Catholic population to south.

(9) Conclusion: In general Viet Minh appeared to be going ahead with consolidation their control and with imposition rigid Communist indoctrination and regimentation. There was some evidence ad-

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[2] For documentation on the Sainteny Mission to the Democratic Republic of Vietnam, see *Foreign Relations*, 1952–1954, vol. XIII, Part 2, pp. 1948 ff.

[3] A report on this demonstration is in telegram 597 from Hanoi, January 3. (Department of State, Central Files, 751G.00/1–355)

ministrative inefficiency stemming from lack of experience large scale problems. Regime seemed to have encountered no popular opposition of any government except that offered by Vietnamese Catholics who continued evacuation south despite Viet Minh appeals and in face many obstacles. Power structure of regime continued to be subject of speculation, largely based on guesswork, by foreign observers.

Brief economic survey follows.[4]

Corcoran

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[4] Telegram 620 from Hanoi, January 7. (*Ibid.*, 851G.00/1–755)

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5. Telegram From the Ambassador in France (Dillon) to the Department of State[1]

Paris, January 3, 1955—8 p.m.

2795. Re Section II Embtel 2762,[2] believe it useful recall for record Soutou's[3] statement to me during Secretary's past visit to effect he, Soutou, thought "left-wing" govt needed in South Vietnam. Soutou predicated this conclusion on premise that if we wished avoid general elections 1956 then it necessary to develop strength in South Vietnam and this only possible by having "left wing" Vietnamese govt prepared embark on imaginative and bold reform programs etc. Soutou's statement compares with Clarac's[4] statement to us to effect that Fr Govt prefers see emergence "more moderate" Vietnamese govt in South and one less openly anti-Vietminh (para 4 Embtel 2761[5]).

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[1] Source: Department of State, Central Files, 751G.00/1–355. Secret. Repeated for information to Saigon.

[2] Dated December 30, 1954; for text, see *Foreign Relations*, 1952–1954, vol. XIII, Part 2, p. 2437.

[3] Jean-Marie Soutou, Deputy Cabinet Director under Mendès-France.

[4] Cabinet Director for Guy La Chambre, Minister for the Associated States.

[5] Paragraph 4 of this telegram, dated December 30, 1954, reads as follows:

"Clarac then proceeded to say that while they under no illusions concerning longer term possibilities of doing business with Vietminh, they thought Sainteny effort worthwhile if only to gain time in terms one to two years in which shore up Cambodia and Laos. Clarac admitted, however, that Sainteny approach in North in conflict with present manifest anti-Commie line taken by Diem govt in South and the position taken by Diem on this score made Sainteny's job in North that much more difficult. We said, however, that if firm anti-Commie position to be taken in South, it would appear to be evident that one could hardly lend support or encouragement at same time to Sainteny line in North. Clarac said he recognized this fundamental conflict and said this in part why French prefer see emergence 'more moderate' Vietnam-

Continued

We inclined think that a "left-wing" Vietnamese govt such as that envisaged by Soutou, which presumably would be headed by personality such as Buu Hoi, would most likely move parallel with rather than counter to Vietminh govt. Such a development in our view likely to lead some form rapprochement between North and South Vietnam prior holding July 1956 elections, thus making question latter largely academic.

Dillon

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ese Govt in South and one less openly anti-Vietminh. He added that if stronger govt could be formed in South, it could be expected exert moderating influence on Vietminh as well as on outcome elections. We said it because we concerned over possible emergence Vietnamese Govt in South likely move parallel to rather than against, Sainteny line in North that we found it difficult to accept fully French insistence Diem be replaced. We said we aware conflict between policy symbolized by Diem and that by Sainteny, however, to adopt an approach that would tend to lessen this conflict seemed, for the present at least, to run counter Free World's desire maintain Free Vietnam and would appear involve basic US appraisal [*reappraisal*] its approach Vietnam. Clarac's only comment this score was to state that it better maneuver for time in Vietnam and try at all costs not to drive Vietminh into arms Chinese Commies and Soviets, and to use time thus gained to build up strength Laos and Cambodia." (Department of State, Central Files, 451.51G31/12–3050)

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6. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, January 4, 1955—3 p.m.

2562. 1. Diem has confirmed to Fishel statement Luyen made to me ten days ago that government would not extend Binh Xuyen gambling and other concessions when contract expires January 15. We have had some reports, so far unconfirmed, that Binh Xuyen are preparing to sabotage public utilities Saigon if contract is not renewed.

2. Daridan came to see me today. He had heard same rumors and said French were disturbed by Diem's intention not renew contract because of threat to public order at a time when 14,000 Vietnamese civilians have been on strike against French Army for six weeks. Daridan said that strikers who have thus far been peaceable are now threatening to take "direct action".

3. Daridan said that he and Ely both believe that strikers' claims are in large measure justified, and that with Ely's backing he has

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[1] Source: Department of State, Central Files, 751G.00/1–455. Secret; Priority. Repeated for information to Paris.

asked French Government make available 800 million francs to settle dispute. I suggested, that in the interests of avoiding what might be serious trouble and in order not to dissuade Diem from his firm stand, it might be desirable for US to support Daridan's request for funds through Embassy Paris. Daridan agreed.

4. Since there is some basis for French concern over Vietnam Army capacity to handle both strikers and Binh Xuyen without police support I recommend Department instruct Embassy Paris to inform Foreign Office we take serious view of continuing strike as added threat to security of free Vietnam and hope that French Government takes prompt steps to settle it.

5. In this connection I told Daridan that if Diem were forced to temporize with Binh Xuyen with respect to contract renewal, Prime Minister would probably suffer serious reversal in obtaining agreement of Cao Dai and Hoa Hao to the gradual elimination of their private armies and their cooperation in a land-reform program.

[Collins]

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7. Memorandum From the Chairman of the Operations Coordinating Board's Special Working Group on Indochina (Young) to the Under Secretary of State (Hoover)[1]

Washington, January 4, 1955.

The Special OCB Working Group on Indochina held its meeting[2] yesterday at the Pentagon to hear a G–2 briefing on military situation in Communist Viet-Nam and Free Viet-Nam. This memorandum summarizes the highlights.

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[1] Source: Department of State, OCB Files: Lot 61 D 385, Indochina, General. Secret. Sent through Robertson. Young's principal job was Director of the Office of Philippine and Southeast Asian Affairs.

At the suggestion of Robert Cutler, Special Assistant to the President, the Operations Coordinating Board (OCB) established on August 4, 1954, a special working group on Indochina intended to deal with the day-to-day developments in Indochina, particularly in regard to necessary readjustments in U.S. programs in light of the termination of hostilities. (*Ibid.*: Lot 62 D 430, Minutes) The group consisted of representatives from the Departments of State (chairman), Defense, the Treasury, the Central Intelligence Agency, the Foreign Operations Administration, the U.S. Information Agency, the Bureau of the Budget, and the Operations Coordinating Board.

[2] Reports of other meetings of the OCB Working Group on Indochina are *ibid.*, Southeast Asia.

1. The Viet Minh

Communist military capabilities have substantially increased since the Geneva Accord was signed July 21, 1954. At that time the Viet Minh regular army consisted of seven divisions and a large number of independent battalions and auxiliary guerrilla groups. The size of the regular army was approximately 145,000 out of 330,000, or approximately 40% of the total Viet Minh strength last July. Today there are eleven divisions which constitute 230,000 men out of 335,000, or roughly two-thirds. The regular army has increased nearly 100,000 in men.

G–2 estimates that there has already been an unprecedented increase in fire power. There has been a six-fold increase in artillery fire power during the past year. The equipment has come in from China before and after the Geneva Accord on a large scale. It continues to move into North Viet-Nam but there has been a perceptible reduction recently. Most of the military equipment is Russian, Czech or Eastern European. The Chinese Communists have supplied sixty-m.m. mortars and seventy-six-m.m. guns manufactured by them in Manchuria.

Nine of the eleven Viet Minh divisions are in the general Hanoi area. One division is near the demilitarized zone. There are no indications as yet that Viet Minh divisions have moved towards the demilitarized line. The whole emphasis during the past six months has been on standardization and a shift away from guerrilla type organization. There is no visible or potential threat to the Viet Minh in North Viet-Nam at this time.

2. French Expeditionary Corps

French forces have decreased from 175,000 to approximately 125,000 as of December 31, 1954. However, the bulk of this reduction has been in the transfer of Vietnamese soldiers to the Vietnamese National Army. Only some 10 to 15,000 French soldiers have so far been repatriated to metropolitan France, according to G–2.

40,000 French forces remain in the Haiphong area. In the south there are two divisions in the Saigon area, one division next to the demilitarized zone and one in the Tourane area a bit south of the zone.

3. The Vietnamese National Army

At the time of the cease-fire this army had about 210,000 soldiers. It now numbers about 145,000 plus some 35,000 auxiliaries of nondescript character. This 145,000 also includes some 30 to 40,000 Vietnamese troops sifted from the FEC. Thus the absolute decrease in the Vietnamese National Army is approximately 100,000 in the past six months. Those soldiers either deserted in the north to live in their native villages or were demobilized as a result of the deactivation of some Vietnamese units.

G–2 puts a very low rating on the Vietnamese National Army compared to the Viet Minh army. The morale of the Vietnamese National Army is very low. It lacks combat as well as logistic capabilities. It has only 650 officers of the rank of captain or higher. According to G–2 it could not withstand any kind of Viet Minh attack nor can it carry out a mission of pacification and internal security at the present time.

4. General Estimate

G–2 estimates that the Vietnamese National Army controls only the Saigon area and a few other places near division headquarters in Free Viet-Nam. The rest of the area is subject to the authority of the private armies of the sects or to Viet Minh sympathizers and secret guerrilla cadres. The Viet Minh has removed most of its regular army forces from the south but it has left stores of arms and ammunition in hidden deposits throughout Free Viet-Nam. According to G–2 the Viet Minh retains a capability for guerrilla warfare in the south which could severely harass the Government of Viet-Nam under present circumstances.

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8. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, January 5, 1955—6 p.m.

2581. Reference Department telegram 2644.[2]

1. Paragraph a reference telegram. Daridan tells me French subsidies to sects now reduced from earlier amounts and will cease entirely 31 January. I understand Diem now furnishing sects several million piastres per month exact amount unknown. I doubt wisdom our permitting use American aid for sect subsidy except for legitimate pay of sect forces integrated into National Army. About 3,000 Cao Dai and similar number Hoa Hao troops now thus integrated, out of total of 15,000 to 20,000 for each sect in private armies. Under proposed cut-back of Vietnamese armed forces from 160,000 to about

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[1] Source: Department of State, Central Files, 751G.5/1–555. Top Secret. Repeated for information to Paris.

[2] Dated December 29, 1954, for text, see *Foreign Relations*, 1952–1954, vol. XIII, Part 2, p. 2435.

90,000, it is unlikely that additional sectarian troops will be taken in; in fact, it may be necessary eventually to reduce the number now in National Army ranks. In any case, many thousands of sect troops can not be accommodated in National Army and will have to be demobilized. They constitute appreciable danger at present and will continue do so until National Army has been reorganized and redeployed so as to neutralize threat they offer. This danger is not so much that they may seek join forces with Viet Minh (they have apparently been determinedly anti-Communist) as that they may increase their exactions on populations of provinces they control or else turn to wide-scale banditry at time when forces of law and order are still too weak to cope with them. Diem is aware of this danger which is why government has assumed responsibility for paying at least part of subsidy hitherto paid by French, presumably until it feels strong enough to cut off support with impunity. While there is some danger in this procedure, which may become acute at later time when Diem wishes cut off support, I believe he may have no option at present time but to continue some measure of subsidy to sects. However, this should not be done with direct aid US funds.

2. Re paragraph 3 reference telegram. I intend to push ahead with Vietnamese Government toward reaching agreement on force levels and training in accord with terms of minute of understanding. As stated in my telegram 2554,[3] there was never any question of submitting minute of understanding to Vietnamese Government for its approval. Minute was intended only as agreement between US and France which would provide terms of reference for my approach to Vietnamese on military matters. Defense Minister Minh has not yet submitted his ideas on desired force goals, but I understand from MAAG that Vietnamese General Staff still talking in terms of 150,000. I still believe I can work out satisfactory arrangement with Vietnamese so long as French Government does not undermine principle of full MAAG direction of training and organization established by General Ely. I am not aware of any "secret defense treaty" between France and Vietnam. Department is requested to amplify this reference.[4]

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[3] Document 3.

[4] The Department provided clarification in telegram 2745 to Saigon, January 6, which reads in part:

"Regarding paragraph 2: We have not yet received from French Embassy Washington the revisions which French have suggested (Paris 2826 [repeated] to Saigon) but will not give any concurrence to French scheme until after full study and your views. Secret treaty reference concerns 1950–51 agreement between De Lattre and Vietnamese Government which we did not see but whose existence was confirmed as constituting at that time a definite and exclusive Franco-Vietnamese military pact. We hope no longer effective but cited as example of possible limitation on ability Diem to negotiate." (Department of State, Central Files, 751G.5/1–555)

Telegram 2826 is not printed. (*Ibid.*)

3. Paragraph 4 reference telegram. During course of discussion this morning, 6 [*5*?] January, with Diem on National Assembly opportunity arose to sound out Diem re possible return of Bao Dai. Reaction was negative. Details included in cable following.[5]

[Collins]

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[5] Telegram 2583 from Saigon, January 5. (*Ibid.*, 751G.2/1–555)

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9. Telegram From the Ambassador in France (Dillon) to the Department of State[1]

Paris, January 6, 1955—1 p.m.

2866. We saw La Chambre today prior to his departure on holiday while Mendes is in Rome and Assembly in recess. Résumé his principal points follows:

1. He is greatly disappointed with results tripartite Ministerial conversations on Indochina December 18.[2] He feels we avoided main issue and postponed decision again when we can no longer afford to do so. He cited understanding he reached with General Smith last September (when French originally agreed to support Diem) to effect that if Diem solution did not work "within reasonable time" we would try alternative.[3] "Reasonable time" has long since expired and because of our procrastination in taking next step La Chambre thinks we may have exceeded time left to us to get on our feet and face Viet Minh.

2. Nevertheless he took satisfaction in indication at conversations that Secretary was prepared to consider alternate solution since time of grace to Diem has passed. He expressed hope Secretary would continue to place full authority in Collins and that Collins and Ely would now prepare precise recommendations for an alternate solution to submit to two governments.

3. La Chambre said that Ely has reported situation as being worse than ever and has virtually abandoned hope for Diem. We reminded him that Secretary had asked Mendes what other solution

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[1] Source: Department of State, Central Files, 751G.00/1–655. Secret; Priority. Repeated to Phnom Penh and priority to Saigon and Vientiane.

[2] For a report on these discussions, see telegram 2601 from Paris, December 19, 1954, *Foreign Relations*, 1952–1954, vol. XIII, Part 2, p. 2400.

[3] For documentation on the French-U.S. talks, September 27–29, 1954, see *ibid.*, pp. 2080 ff.

French had in mind and he had admitted there was none for moment. We stated that all alternates suggested to date had disadvantages equal to or greater than Diem. We reminded La Chambre that Ely and Collins had mandate as result of tripartite discussions to study question of timing and alternative solutions while at same time continuing their support of Diem Government. La Chambre agreed and stated that he hoped Generals would make profound study this time and would arrive at precise recommendations to their respective governments in time for their consideration at next high-level Indochina review, now understood to be tentatively scheduled for late January. *Note:* Ely is proceeding to Saigon with such instructions and will doubtless approach Collins on matter immediately.

4. La Chambre suggested that in order to give Ely and Collins sufficient time to prepare positive suggestions, it may be necessary to request postponement of Indochina review planned for late January. We informed him that if this was French intention they should not delay in making request.

5. We asked latest French Government thinking on alternates to Diem. He replied that recent consultations with Ely, Mendes, Sainteny and fellow Cabinet members convinced him that only possible workable solution was to have Bao Dai return immediately under existing powers. We asked what effect this would have on Diem government. He replied that Bao Dai's presence might not only help solve interminable conflicts between sects and government but could result in setting up workable government which, if not as "pure" as Diem government would at least accomplish something. When pressed for details La Chambre stated they were at present time thinking in terms of Tran Van Huu as Prime Minister with possibly Tam in Interior. Diem might take part in such government. They had definitely rejected the Buu Hoi formula. (See separate following telegram enlargement this point and our comments.[4])

6. We asked results of discussions with Sainteny. He said Sainteny had made deep impression on government and parliamentarians who regard him as shrewd observer and one of Frenchmen who knows Vietnam best and is most qualified to analyze Vietnamese reactions and intentions. Sainteny's primary concern now is with French business interests in north, which government is obliged to protect even though it has no illusions on Viet Minh sincerity. At present time French are studying possibility of grouping main French business interests like Charbonnages du Tonkin, Cotonneries de Nam Dinh, Cimenteries de Haiphong together in one organization to facilitate task of carrying on under Viet Minh.

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[4] Not found in Department of State files.

7. He expressed concern with Department's failure give them assurances that individuals and firms in north will not be regarded with prejudice by US for having continued in business under Communist regime. Repeated démarches to Department on subject have resulted, he said, in unsatisfactory reply given French Embassy Washington just prior to Secretary's last trip to Paris which to effect that each case would be judged on merits. Government regarded this as indication future US findings will be adverse and intend to approach Department again in matter.

8. La Chambre reported that both Sainteny and Doctor Huard, Dean of Hanoi School of Medicine and one of most influential Frenchmen left in North Vietnam, respected equally by Vietnam and Viet Minh, have reported that communization of north is going down very badly. They report that while core of Viet Minh adhere strictly to classic USSR Communist pattern, lower echelons are less enthusiastic and sections of populace are beginning show signs hostility and resistance. La Chambre has taken heart at these reports and believes they support thesis that it is now all the more important that we gain time and before elections demonstrate to northern populace by means of strong effective government in south that life under non-Communist regime is better. He enlarged on this point as further argument for getting rid of Diem.

9. We asked what had been discussed during Mendes-France–Hammarskjold talks last week. La Chambre said Mendes had said nothing about them to him and it was generally understood they were confined to generalities.

10. We asked status of Collins–Ely agreement for training Vietnamese Army. La Chambre confirmed telegram had been sent to French Embassy Washington yesterday instructing them approach Department on subject. He reported that difficulties arose, not from any substance but principally out of concern that agreement provided for enlargement American military mission in Saigon in contradiction Geneva accord. We reminded La Chambre of Secretary's categorical statement during last tripartite conference, confirmed by Admiral Radford who was present, that US would not enlarge military mission. La Chambre also reiterated French view that agreement should not take form of Franco-US agreement but should rather be joint Franco-US "recommendation" to Vietnamese Government.

Dillon

10. Telegram From the Ambassador in France (Dillon) to the Department of State[1]

Paris, January 7, 1955—4 p.m.

2870. Re Deptel 2421.[2] Roux tells us this morning text French proposal regarding Collins–Ely memo of understanding was telegraphed French Embassy Washington subsequent initial telegram outlining French Government observations this regard and that Foreign Office feels certain French proposal should be presented by French Embassy to Department this morning.

Roux has given us text proposal which we transmitting together with free translation thereof as instructed and for information Saigon:

"Recommendation conjointe des gouvernements Francais et Americain, relative a l'organisation et a l'instruction des forces armees Vietnamiennes autonomes.

> "Joint recommendation of French and American Governments relative to the organization and instruction of the national Vietnamese armed forces.

"(1) Les soussignes considerent comme souhaitable l'adoption par le gouvernement Vietnamien des termes de l'annexe a ci-jointe, relative a la structure initiale des forces Vietnamiennes, telles qu'elles devraient etre organisees au 1er Juillet 1955.

> "(1) The undersigned consider as desirable the adoption by the Vietnamese Government of the terms of the attached annex relative to the initial structure of the Vietnamese forces. as it is planned they should be organized on July 1, 1955.

"(2) Cette structure des forces serait realisee par la reduction des effectifs des forces armees Vietnamiennes fondee, autant que possible, sur la demobilisation des moins aptes, jusqu'a ce qu'elle soit conforme aux donnees de l'annexe 'A'. Des ajustements pourraient etre apportes au rythme et a l'ampleur de la reduction, en fonction de l'evolution de la situation politique et economique au Vietnam.

> "(2) This structure of forces would be realized by the reduction of the effectives of the Vietnamese armed forces based, as much as possible, on the demobilization of the less qualified, until it conforms to the ideas of annex 'A'. Some adjustments could be applied to the rhythm and the extent of the reduction in terms of the political and economic situation in Vietnam.

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[1] Source: Department of State, Central Files, 751G.5/1–755. Top Secret; Niact. Repeated priority to Saigon.

[2] In this telegram, repeated to Saigon as 2746, January 6, the Department asked the Embassy in Paris to obtain from Roux a text of the French proposal regarding the Ely–Collins memorandum of understanding of December 14, 1954. (*Ibid.*, 751G.5/1–555)

"(3) La direction d'un programme dans les domaines de l'organisation et de l'instruction des forces armees Vietnamiennes autonomes devant, pour etre efficace, etre confiee a une seule autorite, les soussignes considerent, en ce qui les concerne; que la pleine responsabilite de l'assistance a accorder au gouvernement du Vietnam pour l'organisation le direction de ces forces armees doit etre assumee par le chef du M.A.A.G. Americain, a la date du 1er Janvier 1955, sous l'autorite superieure du commandant en chef.

> "(3) The undersigned consider that, insofar as it concerns them, the direction of a program in the fields of organization and instruction of the Vietnamese National Army should, in order to be effective, be entrusted to a single authority; and that the full responsibility for the assistance to be accorded to the Government of Vietnam for the organization and instruction of these armed forces should be assumed by the chief of the American MAAG on the date Jan 1, 1955 under the overall authority of the commander in chief.

"(4) Du personnel Americain serait donc maintenu concurremment avec du personnel Francais, comme conseilleurs ou instructeurs des forces armees Vietnamiennes. Au fur et a measure de l'amelioration de l'efficacite de ces forces armees, le nombre de ces conseilleurs et instructeurs Francais et Americains serait progressivement diminue.

> "(4) American personnel would then be maintained concurrently with French personnel as advisers or instructors of the Vietnamese armed forces. As the effectiveness of these armed forces improves, the number of these French and American advisers and instructors would be progressively reduced.

"(5) Il est convenue entre les soussignes qu'il doit etre procede a l'application des dispositions ci-dessue, en conformite avec les accords en vigeur.

> "(5) The undersigned agree that the above provisions ought to be applied in conformity with agreements in force.

"(6) La presente recommendation (qui devra etre agree par les gouvernements interesses) ne serva valable que sous reserve de l'approbation par le gouvernement des Etats-Unis d'un programme direct a l'etat du Vietnam."

> "(6) The present recommendation (which will require the approval of the interested govts) will be valid only subject reservation US Government approve a direct program (of aid) to state of Vietnam."

Foreign Office this morning stated above proposal does not affect memo for record initialled by Ely and Collins to accompany memo of understanding (Saigon telegram 710[3]). Foreign Office has reiterated its desire approach be made on basis agreed joint recommendations rather than on basis signed Franco-American agreement; that substitution training personnel for administrative personnel within MAAG ceiling be accomplished discreetly; and that for French internal considerations and to avoid possible ICC charge violation Geneva Agreement, no publicity be attached recommendations or joint Franco-American approach Vietnamese Government this regard.

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[3] Printed as telegram 2261 from Saigon, December 14, 1954, *Foreign Relations*, 1952–1954, vol. XIII, Part 2, p. 2366.

Dillon

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11. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, January 7, 1955—7:07 p.m.

2766. Paris 2870 repeated Saigon 443.[2] French Embassy Washington gave us text version proposed memorandum this afternoon. Identical with reference telegram except in paragraph 3 French text said "this date will be set be Generals Ely and Collins" instead of "January first" contained reference telegram.

Copies have been given Defense and their early views requested. We hope Paris Saigon will comment soonest. We made no comment to French at time transmittal.

In addition French handed us note outlining basis for their suggested changes. Text follows in free translation:

"Text of French project of joint recommendation by American and French Governments relating to training of autonomous Vietnamese armed forces which was drawn up on basis work of Generals Ely and Collins essentially takes note of following points:

"(1) Sovereignty of Viet-Nam gives it right to determine conditions of training and structure of its army. Therefore it can only be question of recommendation which will be addressed to it by representatives U.S. and France.

"(2) French High Command responsible for execution accord on cessation hostilities in Viet-Nam cannot accept any measure which does not conform this accord. This consideration must govern execution of recommendation and in particular application paragraph four. In this regard certain important points must be emphasized:

> "(a) Number American military personnel present Indochina at moment cease-fire was 350; this number cannot therefore be augmented.

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[1] Source: Department of State, Central Files, 751G.5/1–755. Top Secret; Niact. Drafted by Hoey and cleared for transmission by Young. Repeated to Paris.

[2] *Supra.*

"(b) So far as concerns replacement of those elements MAAG which not qualified as advisors and instructors (administrative and supply personnel), it is essential that changeover be carried out in gradual and discreet manner. This replacement poses problem from point of view Geneva Accord and it is necessary that each change may be presented in manner acceptable to ICC and not appear as arrival new personnel. Size and rhythm of these numbers must be object of constant consultation between American and French services on spot.

"(3) Risks involved in measures liable to bring about break in armistice would obviously be much more serious than inconvenience of partial or delayed execution of joint recommendation to Vietnamese Government."

Dulles

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12. Telegram From the Special Representative in Vietnam (Collins), the Ambassador in Cambodia (McClintock), and the Ambassador in Laos (Yost) to the Department of State[1]

Saigon, January 8, 1955—1 p.m.

2636. References: A. Deptel 2130;[2] B. Deptel 2477.[3]

1. Pursuant to suggestion in reference a and in view of forthcoming NSC and OCB review of US policies and operations in Associated States referred to in reference b, we met January 7[4] for general review of situation in our respective areas of responsibility.

2. We discussed kind of joint appraisal that would be feasible for us to make and that would be most useful to US Government, and reached following conclusions:

a. We agreed that it would not be desirable for us to attempt strategic estimate military situation affecting Associated States since this is properly function of JCS, requires information and staff assistance not available to us here, and must be conducted in broader framework than that of Associated States themselves.

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[1] Source: Department of State, Central Files, 751G.5-MSP/1-855. Top Secret. Repeated for information to Paris, Phnom Penh, and Vientiane; passed to the Department of Defense and CINCPAC. In telegram 142218Z from CINCPAC to CNO, January 14, repeated for information to Saigon, Admiral Stump gave his general endorsement to the recommendations in telegram 2636. (Collins Papers, Vietnam File, Series VII, S)

[2] Dated November 26, 1954; for text, see *Foreign Relations*, 1952–1954, vol. XIII, Part 2, p. 2309.

[3] Dated December 17, 1954; for text, see *ibid.*, p. 2392.

[4] At Dalat, South Vietnam.

b. We assumed that US Government appreciates, as we do, importance of preventing Associated States from coming further under Communist domination. We continue to believe that US should exert efforts toward this objective in spheres of military, economic, diplomatic and other aid. We have each reported in light of local conditions of chances of success of US assistance in helping these countries resist further Communist gains. These assessments have varied in each country; however, we continue to believe chances of success warrant US effort being made. Since complete withdrawal of US support would be unacceptable, we consider problem to be not whether US should render aid, but rather how much should be provided.

c. With respect to amount of US aid that would be justified in each state (considering chances of success in each), this is problem that can only partially be assessed by us. We have each recommended programs of US military and economic assistance for our respective countries. In determining magnitude of these programs, we have had to weigh combination of such factors as: (1) need for creation of indigenous military forces capable of providing at least minimum security; (2) acceptability of programs to political authorities in each country; (3) level of dollar aid that local economies can absorb without severe maladjustments; and (4) need to secure maximum results with minimum expenditure of US funds. These factors tend to be mutually incompatible, and thus programs recommended are at best balance among somewhat conflicting aims. Programs we have recommended, in consideration of above factors as they exist in each state, comprise contribution that we on ground are competent to make. We feel we cannot properly assess whether costs of programs we have recommended bear proper relation to other programs in Far East which compete with them for available US funds, and therefore whether total cost of programs for three Associated States is sound apportionment of available funds. However, estimates set forth below are in our opinion minimal.

3. With above in mind, we concluded that most useful function we could perform at this point to assist in forthcoming policy review would be to outline in general terms and in consolidated form total of aid programs we are recommending. Following are cost estimates for two different periods of time, FY 1956 and CY 1955. FY 1956 figures set forth our estimate of costs of programs we are recommending, and thus amount of funds that would have to be appropriated to support them. CY 1955 figures represent our estimate of costs that will be incurred this calendar year if programs recommended for FY 1956 are approved. CY 1955 costs presumably would be paid generally from funds already appropriated since, if past procedures are followed, FY 1955 funds for military will be used to finance expenditures of last half of calendar.

It will be noted therefore that figures cited in each period for comparable programs are overlapping. (Figures in millions of dollars).

FY 56	*Vietnam*	*Cambodia*	*Laos*	*Totals*
Armed Forces	225	44	40–45	309–314
FEC	50			50
Economic and refugee	80	25	18	123
Total cost	355	69	58–63	482–487
Local government contribution	–30	–14		–44
Total US cost	325	55	58–63	438–443

CY 55	*Vietnam*		*Cambodia*		*Laos*		*Totals*	
	1st half	2nd half	1st half	2nd half	1st half	2nd half	1st half	2nd half
Armed forces	164	126.5	22	22	24–26.5	20–22.5	210–212.5	168.5–171
FEC	50	50					50	50
Economic and refugee	40	40	12.5	12.5	9	9	61.5	61.5
Totals	254	216.5	34.5	34.5	33–35.5	29–31.5	321.5–324	280–282.5
Local contribution	–15	–15	–7	–7			–22	–22
US costs	239	201.5	27.5	27.5	33–35.5	29–31.5	299.5–302	258–260.5

Total US cost for Vietnam 440.5, Cambodia 55, Laos 62–67; total for three states 557.5–562.5, of which 100 million is for FEC.

4. Comments on tables:

a. Vietnam

(1) Under FY 56, support for FEC (50 million) is indicated only through CY 55. While we understand present Washington view is that US will not support FEC beyond end this year, circumstances may require some additional support in CY 56, at least until after date scheduled for elections.

(2) Although Vietnam initially estimated to be capable contributing $43 million of its own funds, believe there are operating expenses, i.e., resettlement of soldiers discharged under program for reduction of armed forces and establishment local governments in areas reclaimed from Viet Minh, not planned for. Accordingly, 30 million dollars local contribution believed to be safe estimate.

(3) The $225 million for Armed Forces exceeds 200 million figure estimated heretofore in order to give government more time to spread reduction of armed forces in CY 55. This will be covered in detail in separate message from Collins.[5]

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[5] In telegram 2676 from Saigon, January 10, Collins relayed Minh's strong concern that the force level for South Vietnam of 88,085, as suggested by the United States, was too low and the timetable for reductions from the present level of 217,000 was too rapid. Minh foresaw great problems with such a drastic program. On January 5 he presented a counterproposal accepting reluctantly the size and composition of forces proposed by the United States, but asking for an extension of the phasing-down process until March 1956. Collins refused to accept this proposal, but stated he would be

Continued

b. Cambodia

Revised cost of direct forces support based on reduced proposed level of forces of 30,100 and 1500 civilians. Structure remains same as that previously recommended in Phnom Penh's 352 to Department,[6] but units are reduced in size. MAAG submitting new force structure in separate message with concurrence McClintock. Cost of $44 million is subject to further reduction if Cambodian Government consents to lower pay forces. Figure for FY 56 can be lower than that for CY 55 if pay rates of new inductees are appreciably lower.

c. Laos

Estimated costs Laos armed forces left flexible since substantial reductions in pay and allowances believed possible due to present high scales compared to Vietnam and Cambodia. Refinement these figures as well as survey entire Lao military structure requires prompt assignment qualified personnel to assist Legation in this important work. Such personnel could be placed in Attaché group or USOM.

5. We agreed that in Cambodia immediate establishment of logistic and fiscal MAAG is necessary to provide supervision and control over US equipment and funds; and that in Laos adequate personnel to perform similar functions should be made available soonest. Competent budget and fiscal personnel will be of great assistance to Chiefs of Mission in analyzing Cambodian and Laotian military budget proposals to insure items budgeted are justified and warrant US support. Need for reduction of pay and allowance scales is case in point.

6. Foregoing tables express our best estimate of situation CY 55 and FY 56 as priced out for military and economic aid. However, we cannot emphasize too strongly that acceptance of these or other more refined tables by our Government will not signify automatic success to our venture in Indochina unless our policies are imbued with a spirit of resolution coupled with resiliency to meet a constantly shifting situation. We should likewise wish to emphasize "Indochina" is no longer a useful rubric. "Indochina" does not mean only Vietnam, nor does it fitly describe Cambodia and Laos. Eventually we may have to think of Cambodia and Laos in connection with a broad coalition comprised of these two countries, Burma and Thailand. Likewise with regard to Cambodia and Laos, because of differing political, ethnic and religious factors which are in play there, there is possibly greater scope for diplomatic effort in linking these countries with other areas of southeast Asia to the west.

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willing to recommend to Washington support of a 100,000 Vietnamese force with a target date of December 31, 1955 for reduction to that level. Collins estimated the cost of this plan would be roughly $225 million. (Department of State, Central Files, 751G.5-MSP/1-1055)

[6] Dated December 13, 1954, not printed. (*Ibid.*, 751H.5/12-1354)

7. In respect to Vietnam, diplomacy assumes a third dimensional aspect because of equivocal French position in Vietnam. We consider it important to emphasize that our judgments regarding US assistance to Associated States are made on assumption that French Government policy remains as stated in Smith–La Chambre minute of understanding of 29 September[7] and reaffirmed in subsequent Dulles–Mendes-France talks to effect that France will firmly oppose extension of influence or control of Viet Minh movement. If as Embassy Paris has predicted and as recent telegrams from Paris (re Paris telegrams 2761 repeated Saigon 418 and Paris 2795 repeated Saigon 431[8]) have to an extent substantiated, this or a subsequent French Government concludes a deal with Ho Chi Minh, our entire estimate situation might undergo swift and drastic revision. We believe that under such circumstances US assistance provided Vietnam would have to be continued, even though at a reduced scale, in order to gain time to permit removal of bulk of US furnished military equipment.

8. [Garble] these hedges on future, we strongly feel that investment recommended above is justified and we are confident that if this investment is underwritten by US we will have a fair chance to maintain the integrity of these countries.

[Collins, McClintock, Yost]

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[7] For text, see Department of State Press Release 542, September 29, 1954, *Foreign Relations*, 1952–1954, vol. XIII, Part 2, p. 2097.

[8] For telegram 2795, see Document 5. Telegram 2761 is not printed, but see footnote 5, *ibid.*

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13. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, January 9, 1955.

2660. Reference Deptel 2766, Paris telegram 2870, repeated Saigon 443, Embtel 2554.[2]

1. Greatly disturbed, as I indicated yesterday to Ely, that French are clearly stalling on approval Ely–Collins minute of understanding. Proposal contained in Paris telegram 2870 tantamount to complete rewrite our minute. Should be particularly noted that no reference is made to granting autonomy to Vietnamese forces. Furthermore, it in-

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[1] Source: Department of State, Central Files, 751G.5/1–955. Top Secret; Niact. Repeated to Paris. There is no time of transmission on the source text.

[2] Documents 11, 10, and 3, respectively.

cludes circumscribing details which I refused to accept from Ely and which would tend to hamstring implementation our training program. I am sure Ely, O'Daniel and I can develop common sense procedures on ground here covering all points raised in French proposal. I urge flat refusal by Department of French proposal. I will certainly not agree to it unless specifically instructed by higher authority.

2. As indicated in separate message to follow,[3] Ely stated categorically yesterday that French Government had approved our minute of understanding. He also reaffirmed agreement my proposal to negotiate directly with Vietnamese Government as outlined my telegram 2554.

[Collins]

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[3] Telegram 2663, *infra.*

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14. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, January 10, 1955—4 p.m.

2663. 1. I met with General Ely on 8 January to review developments Vietnam during his absence.

2. I outlined developments in Vietnam as reported Washington in recent telegrams. I reported my conversations with Defense Minister Minh, and outlined proposals contained subsequent cable[2] reference proposed new troop basis and phased reductions Vietnamese forces. General Ely indicated general agreement with new force proposals.

3. Ely then outlined highlights of Paris conference Dulles–Mendes–Eden which Ely attended.[3] He indicated that agreement had been reached that Ely and Collins should review situation Vietnam as of 15 January and report Paris and Washington on chances of success of Diem Government and possible alternatives.

4. My recollection of Paris telegram 2601 Department[4] repeated Saigon 388, was that no date had been specified for such a reevalua-

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[1] Source: Department of State, Central Files, 751G.00/1–1055. Top Secret; Priority. Repeated for information to Paris, Phnom Penh, and Vientiane and passed to the Department of Defense.

[2] Apparently the reference is to telegram 2676 from Saigon, January 10; see footnote 5, Document 12.

[3] The tripartite Ministerial meeting of December 18, 1954.

[4] Dated December 19, 1954; for text, see *Foreign Relations*, 1952–1954, vol. XIII, Part 2, p. 2400.

tion (subsequent rereading of Paris telegram 2601 confirms this). I told Ely that until clearcut acceptance by France of our minute of understanding on forces and training, and until we had negotiated definite agreement with Vietnamese Government on terms of US direct support, there was little solid basis for reevaluation of Vietnam situation.

5. Ely quoted from French minutes of Dulles–Mendes–Eden meeting which indicated definite agreement among principals for reevaluation Vietnam situation some time in January. I replied that Diem Government was only now beginning to implement our seven point program, but that I was willing to meet with Ely for reevaluation at any time he chose. I said that I felt Diem was beginning to make progress on our programs and that only conclusion could reach now was that we would have to continue to support him until there was fair chance to learn results of these programs.

6. I then told Ely I was deeply concerned over delays of French Government, which seemed to have certain elements of deliberate foot dragging, in approving Ely–Collins minute of understanding. I pointed out successive reasons for delays: First, the legal review as to whether minute violated Geneva accord, for which I could see no basis; second, that Mendes was skeptical of presenting our minute as a fait accompli to Vietnam Government, which neither I nor Ely had ever intended; third, when this was cleared up, possibly through my niact 2554,[5] French Government, still without confirming approval of our minute, stated they were pouching comments to French Embassy, Washington (see Deptel 2746[6]) which would further delay proceedings. I told Ely that I had proceeded with preliminary negotiations with Defense Minister Minh along lines we had agreed upon and intended to continue to press an agreement with Vietnamese Government according to our basis understanding as contained in Ely–Collins minute. I pointed out that US law required certain stipulations before we could agree to direct aid.

7. Ely, in turn, stated there had evidently been a serious misunderstanding. He stated categorically that French Government had approved our minute of understanding and that he fully agreed I should proceed to negotiate directly with Vietnam Government.[7] He stated that he would cable Paris at once advising French Government to confirm definitely its approval of Ely–Collins minute.

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[5] Document 3.

[6] See footnote 2, Document 10.

[7] This was not the understanding of the American Embassy in France which stated categorically that while the French approved the substance and general objective of the memorandum of understanding, they were not prepared to accept it as the basis for an approach to the Vietnamese Government. (Telegram 2901 from Paris, January 10; Department of State, Central Files, 751G.5/1–1055)

8. Ely then stated that French Government has decided to support FEC strength of 75,000 until 1 June 1955. Thereafter, depending on existing situation, government would determine residual strength of FEC or its complete phase out prior to Vietnamese elections scheduled for mid 1956. He indicated that present thinking of French Government was that the evacuation should be completed by time scheduled for elections. Final decision as to phase out would be made and announced about February, 1954 [*1955*].

9. Ely stated that rumors that he would be relieved were ill founded. However, he said that independence of three Associated States made his position as Commissioner General anomalous and might shortly force decision as to his status as Commissioner General. I said I hoped his position would not be changed as long as I remained in Vietnam.

10. All of the above, coupled with recent exchange of cables clearly outlining potential misunderstandings between Paris, Washington and Saigon points up question of my returning Washington for consultation as suggested in paragraph 6, my telegram 2455.[8] Thus far Department has ignored this suggestion though desire for Department reaction was indicated in paragraph 7, my telegram 2460.[9] Would appreciate if this matter would be brought personally to the attention of Secretary Dulles.

[Collins]

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[8] Dated December 25, 1954; for text, see *Foreign Relations*, 1952–1954, vol. XIII, Part 2, p. 2423.

[9] Dated December 27, 1954; for text, see *ibid.*, p. 2428.

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15. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, January 13, 1955—6:23 p.m.

2872. Representative French Embassy called on Department Jan. 10 to inform us receipt an instruction from Paris which made following points:

General Ely now returned Saigon with instructions implement rapidly possible "decisions taken by three Ministers Paris December 18" to continue efforts broaden base of Diem government and bring about internal reforms and also as discussed by three Ministers work out eventual formula for "changing" Diem government. In latter respect Bao Dai to be associated with change in some respect but his exact role to be decided only after consultation Ely–Collins.

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[1] Source: Department of State, Central Files, 751G.00/1–1355. Secret. Drafted by Hoey and cleared by Young and MacArthur. Sent also to Phnom Penh, Vientiane, and Hanoi and to Manila and Paris by pouch.

Went on to say La Chambre now seeing Bao Dai in Cannes but we should be assured not a unilateral approach concerning his future but only to express concern over situation Viet-Nam and explore ways making "government of South Viet-Nam more effective".

Ely's instructions apparently misinterpretation Secretary's position Paris talks. U.S. made no commitment change Diem or associate Bao Dai with any such change except in event his failure to make progress makes alternative desirable.

According recent information Diem is gaining popular support, had highly successful trip through South Annam,[2] now seems to be putting emphasis on making decisions. Department gratified learn from General Collins Diem beginning make progress on implementation programs. We intend continue firm support for Diem and Government national union around him.

Paris inform appropriate French authorities above U.S. views.[3]

Dulles

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[2] A report of that trip, January 2–4, is in telegram 2582 from Saigon, January 5. (*Ibid.*, 751G.13/1–555)

[3] See Document 21.

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16. Telegram From the Secretary of State to the Special Representative in Vietnam (Collins)[1]

Washington, January 13, 1955—6:41 p.m.

2873. For Collins and Achilles eyes only. President approved Collins be in Washington sufficient time to hold preliminary discussion prior appearing before NSC meeting scheduled January 27.[2]

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[1] Source: Department of State, Central Files, 751G.5-MSP/1–1055. Top Secret. Drafted by Young and Hoey and signed by Dulles. Also sent to Paris.

[2] According to a handwritten note apparently by Young on a memorandum from Young to Robertson, January 13, Dulles raised the question of Collins' return to Washington with Eisenhower on the morning of January 13. Radford, according to the notê, stated that "it was *imperative* that Collins return to Saigon after his report here." (*Ibid.*, 751G.00/1–1355)

Report of McClintock, Yost and yourself[3] presented to OCB Jan 12[4] (Saigon's 2636 rptd Paris 770).

In view presently unresolved matter of French revision Ely–Collins memorandum do you feel that pending settlement this problem you can continue negotiations with Vietnamese regarding force levels and other necessary points prior your departure? We now preparing separate instruction intended toward solution French omission commitment on autonomy Vietnam army but cannot predict if this will be settled prior your departure.

As soon as possible I would like to have your views as to possibility successful conclusion an agreement with Vietnam on military matters by the time you leave. Defense has your 2676[5] under urgent consideration.

We do not accept thesis that a deadline be established by which date, assuming no spectacular progress made by Diem, he be replaced by any of the candidates suggested by French, including Bao Dai. Based on your reports we believe Diem beginning make steady if undramatic progress and in any event we do not see, nor have you reported, a preferable alternate. Therefore you should not join with Ely in any joint recommendation in this respect.

The President would like to have you bring back with you or prepare here after you arrive a report to be considered by NSC on 27th. This should be along lines assessing our chances maintaining Free Vietnam, likely cost to us and possible consequences of failure as contained briefly your 2636.

Separate instructions will be sent regarding your staff.[6]

Regards.

Dulles

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[3] A summary of telegram 2636 from Saigon, Document 12, was submitted to the OCB as an attachment to a memorandum from Young to Hoover, January 11. (*Ibid.*, OCB Files: Lot 62 D 430, Southeast Asia 1)

[4] According to a memorandum dated January 12 from Hoover to Dulles, the OCB unanimously suggested that Collins return to Washington between January 15 and 20 to allow sufficient time to prepare and evalute his reports prior to the meeting of the NSC on January 27. According to a marginal notation by O'Connor, the memorandum was not shown to Dulles; instead Hoover raised the issue with the Secretary on the night of January 11 and the morning of the next day. (*Ibid.*, Central Files, 751G.00/1-1255)

[5] See footnote 5, Document 12.

[6] Not printed.

17. Editorial Note

On January 14 at the Pentagon, Chairman of the Joint Chiefs of Staff Radford briefed those present at the joint Department of State–Joint Chiefs of Staff meeting on his trip to the Far East, December 22, 1954–January 5, 1955. The following extract from the Department of State's memorandum of discussion of the meeting presents the discussion on Vietnam:

"Admiral Radford found General Collins in rather low spirits.

"Mr. Robertson rejoined that there now appeared to be important plus signs in the equation which had developed since the Admiral's visit. Importantly, there was the evidence of Premier Diem's popular appeal as evidenced by his recent trip through the villages.

"Admiral Radford said that he had met Diem, that he certainly was a nice little man, but that unfortunately did not make him strong politically.

"There ensued a discussion of the French role in Vietnam. It was the Admiral's confirmed opinion that the French had not honestly tried to make Diem's term of office a successful one. He saw in M. Daridan the epitome of French animosity with respect to Diem. Daridan, in the Admiral's opinion, should be quietly removed from the Vietnamese scene.

"Mr. Robertson generally agreed with Admiral Radford's opinion of the French. He said that the French were encouraging the religious sects in Vietnam to work against Diem. Not only that, the Admiral noted, the French had given encouragement to General Hinh. Mr. Robertson agreed that the French had not given up by any means.

"Concluding, Admiral Radford said that the French were definitely working for all of Vietnam to fall to Ho Chi Minh, and to be attached to the French Union." (Department of State, State–JCS Meetings: Lot 61 D 417)

At the meeting of the National Security Council held the previous day, Radford had reported briefly on his impressions of Vietnam along similar lines. (Memorandum of discussion by Gleason, January 14; Eisenhower Library, Whitman File, NSC Records)

18. Telegram From the Acting Secretary of State to the Embassy in France[1]

Washington, January 14, 1955—5:39 p.m.

2526. Believe following represents most expeditious manner achieving desired results regarding understanding on U.S assumption training responsibilities Viet-Nam. Propose if Collins concurs, Achilles Paris discuss situation with Mendes-France soonest as follows:

a. Regret that there apparently has been misunderstanding[2] regarding Ely–Collins minute on Vietnamese forces. Was not Collins intention present Vietnamese Government with written agreement signed by two generals and endorsed by both Governments. Instead he intends negotiate our direct aid and Vietnamese force levels with the Vietnamese Government on basis prior agreed understandings between himself and Ely on those matters requiring French-American concurrence. Not his intention derogate from Vietnamese sovereignty but, quite the contrary to enhance it. As Ely–Collins minute stated, points were all subject to consent Vietnamese Government.

b. Also regret unfortunate amount time that has been taken in bringing this matter to conclusion with full agreement and understanding between our two governments, since both frequently indicated urgency of rapid effective restoration security and stability Free Viet-Nam. We understood during Washington talks French Government would back whatever Ely and Collins agreed to, as Mendes stated here in November. Time is even more of essence now.

c. Joint recommendations proposed by French are consistent with Ely–Collins minute of understanding far as they go but omit spelling out certain points. We assume however French Government does not wish repudiate or in practice change substance of any portions of agreement Ely signed.

d. Achilles should seek specific confirmation that French will negotiate with Vietnamese so that armed forces of State will become autonomous not later than July 1, 1955 in sense that all units of armed forces will be commanded and staffed by Vietnamese personnel, in accordance with sense of November statements to Secretary by Mendes.[3] (Mendes indicated there might be some slippage in date but indicated acceptance in principle.)[4]

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[1] Source: Department of State, Central Files, 751G.5/1–1455. Top Secret; Priority. Drafted by Hoey and Fisher and cleared with Sullivan of Defense. Also sent priority to Saigon.

[2] See Documents 13 and 14.

[3] The reference is to discussions which took place during the visit of Pierre Mendès-France, Prime Minister of France, to Washington for conversations with the Secretary of State and other officials of the U.S. Government, November 17–20, 1954. A comprehensive record of all meetings held in Washington with Mendès-France is scheduled for publication in *Foreign Relations,* 1952–1954, volume vi. For documentation relating solely to the Indochina phase of these talks, see *ibid.,* vol. xiii, Part 2, pp. 2264 ff.

[4] In telegram 2996 from Paris, January 16, Achilles reported that he had raised the substance of the Department's telegram 2526 with Mendès-France who specifically

Continued

e. If agreement with Mendes can be reached on foregoing, his agreement should be sought to Mendes' and Secretary's instructing Ely and Collins, to proceed in manner consistent with their understanding.

For Saigon: We presume this formula will give full satisfaction Collins prior concern over French Government version Ely–Collins memo.[5]

Murphy

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confirmed the Department's assumptions in paragraphs c and d and did not mention the possibility of slippage. Mendès said he never questioned either point and that his only concern was to avoid any grounds for charges that the proposed agreement on training responsibilities violated the Geneva armistice agreement. (Department of State, Central Files, 751G.5/1–1655)

[5] In telegram 2790 from Saigon, January 16, Collins fully concurred with the action recommended in telegram 2526 to Paris and urged that it be done promptly. (*Ibid.*)

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19. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, January 15, 1955—1 p.m.

2772. 1. I met with Ely at his suggestion 14th. I told him I was pleased by what I had seen at Haiphong but was disturbed that nothing had been done to remove US-financed equipment from Charbonnages. (See my telegram 2759[2])

2. Ely said that other problems concerning him with regard to Haiphong were maintenance of minimum public services and supplies, removal of all other equipment, and danger of sabotage by Vietnamese immediately before final evacuation. I agreed it would be serious mistake if Vietnamese undertook such sabotage and I would be willing to say so to Diem. Ely said he had discussed Haiphong problem with Diem previous day, in particular communications equipment removed from Hanoi in alleged violation of Geneva accord. Ely said that if it were possible to settle dispute with Viet

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[1] Source: Department of State, Central Files, 751G.00/1–1555. Secret. Repeated for information to Paris.

[2] In this telegram, January 15, Collins reported on his brief (January 13–14) visit to Haiphong, and his discussions there with French officials on the questions of removal of American aid-financed equipment and evacuation of refugees. With the notable exception of the equipment in the Charbonnages du Tonkin coal mines, Collins was impressed that the French had evacuated most material from Haiphong. He was also impressed with the efficiency of the refugee operation and the caliber and number of those refugees being prepared to move south. (*Ibid.*)

Minh over Hanoi incidents, that might ease Haiphong situation which is tense and may become increasingly difficult.

3. I remarked to Ely that it is essential in computing shipping requirements to make certain that no refugees will be left behind in North for lack of transport. Ely said that French can take care of necessary military movement but will continue to need US help for refugees. O'Daniel following up on this. (French must help also.) I asked Ely if he felt last French troops leaving Haiphong might have to fight their way out. He replied that Viet Minh will not in his view attempt prevent French departure by action from outside enclave but they may inspire uprisings and strikes on part of Haiphong residents. Ely said Viet Minh have no confidence in French good faith and believe that they wish to strip Haiphong. Accordingly Ely fears that he can not until the very end reduce his troop levels below 18/20,000.

4. Ely asked me how I proposed that we carry out instructions from our respective governments growing out of latest Paris meeting.[3] He read me telegram from French Foreign Office to French Embassies Washington and London dated January 8 saying that Ely had returned to Saigon to pursue efforts toward broadening Diem Government and carrying out reform programs and would study with me possible alternative government solution. Telegram continued saying that Bao Dai's role would be defined in light of discussions between Ely and me. La Chambre would make courtesy call upon Bao Dai in course of vacation at Nice. Conversation would be in general terms. Another telegram of same date to French Embassy Washington said that Ministers had agreed December 18 have another exchange of views re solution Vietnamese political problems and expressing opinion such meeting should take place after Ely–Collins assessment. Accordingly express meeting tentatively scheduled end January would not be useful. Ministerial meeting might take place early February when Ely and Collins have expressed final views. One final telegram from French Embassy Washington to Paris reported our State Department favors mid-February for such review.

5. I reviewed with Ely progress of all aspects of our 7-point program, as reported recent telegrams, concluding that only item in which no progress has been shown is that calling for broadening government. I said I believe that this is not time to consider possible alternative to Diem since latter has not yet had full opportunity put program into effect. In absence of specific instructions on this subject (Deptel 2873[4] had not arrived), I told Ely that I believe our long-heralded assessment might be made about first week February, to be completed by 10 February.

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[3] Tripartite Ministerial discussions on December 18, 1954.

[4] Document 16.

6. Ely said he was also impressed, and even astonished, by improvement in local scene during period of his absence and that he was inclined to favor my proposal. Ely went on to say that despite progress made he is still concerned by persistent Viet Minh strength in South where Communists actually administer villages. While 90 percent of population is anti-Communist, they are subjected to effective Viet Minh propaganda and control. This illustrative of how much needs to be done to strengthen action of Interior Minister. I replied that national security action program is designed help solve this problem.

7. Adverting to sects, which he said Diem must continue to handle with caution for some time to come, Ely said, in reply to question I had asked earlier, that French Union Forces include 4,500 Cao Dai suppletives at monthly cost of 3,339,000 piasters and 1,700 Hoa at monthly cost of 1,045,000 piasters. There are no Binh Xuyen suppletives. Original French plan had been to cease paying these forces December 31 but they will now be paid through January 31. There may be trouble connected with discharge in these forces unless National Government can somehow take on commitment to continue payment for some little period. I pointed out that tentative plan Vietnamese Government was to discharge about 35,000 of its own troops between now and March 1, many of which are suppletives, but agreed that Diem would probably have to continue some support of sect forces for some time (Vietnam now gives approximately 7 million piasters monthly support to sect suppletives).

8. Turning back to basic problem Ely said he sincerely hoped Diem could succeed, as to install a new government would entail losing at least three or four months. However, he suggested that between ourselves we might consider what steps could be taken if we became convinced Diem was hopeless. I remarked in this connection that I hoped La Chambre would not paint to Bao Dai as black a picture as French had done in recent Paris tripartite ministerial meeting, with which I was not in agreement. Ely said he had brought up question of Bao Dai in Paris, adding that although he is aware of Emperor's faults he believes that at this period of crisis it is inadmissible that chief of state and chief of government should be separated by several thousand kilometers. They should either be together or chief of state should be suppressed. Ely added that he was not proposing that Bao Dai return immediately but that in next few weeks we should be prepared to suggest that Bao Dai return either to support Diem or, if necessary, to deal with question of replacement. Ely said Bao Dai was not popular with French and that it would be difficult for him to gain approval of French Government of Bao Dai's return. However, if Diem does not work out in next few weeks he

feels he and I have no choice but to accept principle of this solution and do what is necessary to carry it out.

He added that he sees no other solution if Diem should fail. There is no point, he said, in replacing Diem by another local team. It is Bao Dai or nothing if Diem does not measure up. I said I was willing to give consideration to this suggestion but I considered it inopportune for us to discuss it now, even unofficially, since if news leaked out this would have effect of weakening Diem's position vis-à-vis sects. Ely said that his suggestion was not intended to undermine Diem; he felt only that it might be tragic mistake to gamble everything on one single man. I replied that after our February analysis there will be still time to consider an alternative and to make recommendations within 24 hours.

9. Ely said that French press is now showing itself more favorable to Diem and this should be helpful since press plays considerable part in shaping French opinion. Diem also is displaying better understanding of this problem and has taken more moderate line with press in regard to France.

10. This message was drafted prior receipt Deptel 2870,[5] but gives my present reaction to questions raised that telegram.

[Collins]

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[5] In this telegram, January 13, sent also to Paris as 2514, the Department reported that the French Embassy in Washington had suggested a tripartite Ministerial-level meeting on Indochina in early February, following Collins' and Ely's planned recommendations to their respective governments in late January. The Department was skeptical of this suggestion which originated with La Chambre, who according to telegram 2866, Document 9, believed that the United States was prepared to consider alternatives to Diem. (Department of State, Central Files, 751G.00/1–1055)

20. Memorandum From the Deputy Assistant Secretary of State for Far Eastern Affairs (Sebald) to the Secretary of State[1]

Washington, January 17, 1955.

MEMORANDUM FOR DISCUSSION WITH THE DEPARTMENT OF DEFENSE CONCERNING INDOCHINA[2]

1. Points at issue between the U.S. and France to be raised with Defense

(A) *Collins–Ely memorandum of understanding regarding U.S. undertaking responsibility for the training of the Viet-Nam National Army.*

Generals Collins and Ely jointly drafted a memorandum of understanding, on December 13, which was submitted to their respective governments for approval (Tab A[3]). The U.S. approved but France revised the document and submitted a revision to the U.S. on January 8 (Tab B[4]). General Collins opposes the French revision because it omits provision for the autonomy of the Viet-Nam Army and for other unspecified reasons. General Ely believes there has been a serious misunderstanding between himself and Paris and has asked for clarification.

We have prepared a draft telegram instructing Collins to work out agreement with Ely. Although this will take time, it is preferable not to proceed unilaterally with the Vietnamese until we have come to agreement with the French. Defense has not made its views known as yet.

Recommendation.

That the draft telegram (Tab C[5]) be approved by the Secretary and Secretary Anderson and Admiral Radford's approval be obtained during the State–Defense meeting. (Telegram attached at Tab C sent Jan. 14 with Defense approval. No action required.)

(B) *Difference in U.S.-French views on future of Diem Government.*

The French have repeatedly attempted to secure U.S. approval to the setting of a deadline, by which date Diem would somehow be replaced by a Government of their choosing, ostensibly with U.S. concurrence. The U.S. has avoided agreeing to any specific replacement for Diem or to any precise deadline for rating his performance.

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[1] Source: Department of State, Central Files, 751G.00/1–1755. Top Secret. Drafted by Hoey with the concurrences of Young and Sebald at the request of Dulles. A marginal note on the source text indicates that Dulles saw it.

[2] For the record of that meeting, see Document 22.

[3] For text of Tab A, see telegram 2261 from Saigon, December 14, 1954, *Foreign Relations*, 1952–1954, vol. XIII, Part 2, p. 2366.

[4] For text of Tab B, see Document 10.

[5] For text of Tab C, see Document 18.

The French have in mind either the return of Bao Dai or the establishment of a viceroy with the appointment of either Prince Buu Hoi or former Premier Tran Van Huu as Premier and the inclusion of Quat and Tam in such a government. Buu Hoi has been exceedingly pro-Viet Minh in the past, while Huu has been a neutralist and opportunist and their recent efforts to demonstrate a change of heart are unconvincing. While some French officials may honestly, because of advice given them, believe that Diem is incapable and should be replaced for that reason there are others who are apparently aiming at the establishment of a pro-French Government in Free Viet-Nam which might form a working arrangement with the Communists prior to the 1956 elections and would, after that date, form a coalition government with the Viet Minh.

We continue to oppose such a maneuver and continue to support Diem in the absence of a preferable alternate. General Collins is now reporting a slow but steady improvement in Diem as a leader and in conditions in Free Viet-Nam.

Recommendation.

That we continue to oppose French efforts to replace Diem with a personality who would work toward a coalition with the Communists. This position would include continuing efforts to influence Diem to appoint more effective ministers and to move ahead vigorously in reforms. Although Defense has not opposed such policy in the past, it should be spelled out to Defense representatives for their appreciation.

2. Points at issue between State and Defense

(A) Formation of a U.S. training MAAG in Cambodia.

The Cambodian Government has asked us to enter into direct military training and direct budgetary support of their forces. Defense approval to the bilateral agreement to establish a MAAG in Cambodia included a JCS prerequisite that either the bilateral agreement or a separate agreement with Cambodia spell out that all French instructors now with the Cambodian Army, eventually be withdrawn. Defense insists that such an agreement precede the establishment of a U.S. MAAG, whether for logistical purposes or for actual training. (See Tab D[6])

Continued and repeated working level efforts by the Department to have this prerequisite dropped or modified by Defense have met with no success, and it is hoped that Secretary Anderson's and Admiral Radford's approval can be obtained at the State–Defense meeting regarding solution to this problem. In the meantime, Ambassador

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[6] Not printed.

McClintock is reluctant to begin direct budgetary support of the Cambodian National Army and since French subsidies stopped on December 31, 1954, there will soon be a condition of an unpaid army.

Recommendation.

That Secretary Anderson and Admiral Radford be informed of the dangers inherent in attempting to proceed with the JCS prerequisite on the grounds that it will cause unfavorable reaction in the International Control Commission, will probably be viewed with considerable concern by the Cambodian Government itself and most certainly cause violent French reactions involving European matters as well as Indochinese. The JCS prerequisite should therefore be withdrawn or modified on the grounds of overwhelming political considerations. (Tab X[7])

(B) *Question of U.S. supplying additional helicopters and light planes to French in Indochina for use by International Control Commission.*

The French have been pressing us for several months to supply seven additional helicopters and six light planes for the use of the ICC. They state they have an insufficient number available to meet both basic French and additional ICC requirements (Tab E[8]). When Ambassador Makins called on the Secretary and Mr. Merchant on January 7 on the subject, the Secretary stated he would look into this matter again as a result of Eden's personal request.[9]

Recommendation.

That the Secretary raise this matter with Secretary Anderson and Admiral Radford in an effort to have Defense reconsider their refusal to consider the supply of at least some additional helicopters. Light planes conceivably could be made available by Canada and have already been offered by the UK.

General Collins and General O'Daniel have recommended in a joint Embassy/MAAG message (Saigon telegram 2403—Tab F[10]) that we supply on a loan basis additional helicopters and planes but Defense has not answered this message or indicated any position other than their previous opposition.

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[7] Tab X was not attached to the source text.

[8] Tab E, not printed, was a copy of a memorandum by Robertson to Dulles, January 6, which provided the Secretary with background on the French request for helicopters.

[9] A report on this discussion is in a memorandum of conversation by Merchant, January 7, which is filed with a memorandum by Eden, undated, to Dulles supporting the French request for helicopters. (Department of State, Central Files, 751G.00/1–755)

[10] Not printed.

3. Points at issue between U.S. and France

There are a considerable number of points at issue between the U.S. and France, concerning Indochina, and developments are rapidly bringing these differences closer to either a solution or a serious rupture in U.S.-French relations. The most important points include:

(A) *French efforts to secure the replacement of Diem discussed in 1–B above.*

(B) *Continued French influence in Cambodia and Laos.*

The French have adopted a policy in Cambodia which indicates they intend to strengthen their position and influence in Cambodia and Laos. While in the latter country this arrangement appears to meet with the tacit approval of the Laotians. There is no firm resolution evidenced by the Cambodians to expel the French military advisors. The latter government has asked us to undertake direct military training, with a MAAG (see 2–A above for unresolved U.S. internal position in this question), and we are prepared to undertake direct budgetary support of the Cambodian Army as well as an economic aid program. The French allege to fear we are attempting to displace them and have put forward a specious complaint to the effect our policy is inconsistent with the Secretary's assurances that we do not intend to take the place of France in Indochina. We expect further discord in this field as progress is made in U.S. military and economic programs.

(C) *The Sainteny Mission.*

The Sainteny Mission to the Viet Minh is taking on the appearance and functions of a Diplomatic Mission, despite French assurances to us that such is not their intention. The Viet Minh are expected by the French to request reciprocal representation in Paris. Sainteny has requested U.S. approval to the shipment of various strategic items (fuels and vehicles) in opposition to U.S. economic policies of holding to the same controls with respect to the Viet Minh as are applied to Red China. The U.S. views the increased activity and influence of the Sainteny Mission with concern and fears that continued French deals with the Viet Minh can only weaken the Free World position vis-à-vis Communism in general and make more difficult our efforts to prevent the loss of Free Viet-Nam.

(D) *Viet Minh alignment with Soviet Bloc.*

The Viet Minh itself leaves no question as to its direction and sympathies and its recent agreement with Red China[11] has resulted in feverish efforts to open up direct rail communication to the China border (which will establish a direct Moscow to Haiphong line of communication) and other ominous moves. Red Chinese airplanes and uniformed Chinese "technicians" are now on the airfield at Hanoi, and the influx of Polish "technicians" and the arrival of Ambassadors from the Communist bloc countries is consistent with the Viet Minh policy which has doubled its effective military strength since Geneva and equipped it with arms made in Soviet Europe as well as Red China in violation of the Geneva Accords.

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[11] The reference is to a joint communiqué issued in Peking on December 24, 1954, stating that China and North Vietnam had agreed on Chinese material and personnel aid in restoring communications between the two countries and in reconstructing Vietnamese water conservation projects destroyed during the war.

4. Progress of the Diem Government

Despite the elements of disagreement between the U.S. and France outlined above, General Collins reports definite improvement in both Diem's effectiveness and conditions in general in Free Viet-Nam. Diem's recent visit to central Viet-Nam resulted in impressive evidence of popular support which tends to belie French allegation of his lack of popularity. He is making satisfactory progress with the resettlement of over 400,000 refugees, internal security is not worsening and there are evidences that some anti-governmental groups are swinging to his support. His Defense Minister and General Collins are working harmoniously and making progress toward a mutually satisfactory National Army. The political and economic impact of direct U.S. budgetary support has not yet been felt (it began January 1) but this will have a favorable effect on Free Viet-Nam.

If we need anything to hearten us in our policy, it is necessary only to scan the heavily increased Viet Minh propaganda which daily exorcises Diem, praises the French and castigates the U.S. capitalistic warmongers.

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21. Telegram From the Chargé in France (Achilles) to the Department of State[1]

Paris, January 18, 1955—9 p.m.

3034. Ministry Associated States asked us call this morning regarding Collins' forthcoming trip Washington. We had informed Massigli of it yesterday (Embassy telegram 3010[2]) and Ely has suggested to La Chambre that Collins' presence Washington be taken advantage of for talks French requested for early February (Department telegram 2514,[3] Embassy telegrams 2970[4] and 2987[5]).

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[1] Source: Department of State, Central Files, 751G.00/1-1855. Top Secret. Repeated for information to Saigon.

[2] Dated January 17, not printed. (*Ibid.*, 751G.5/1-1755)

We noted there is apparently misunderstanding about dates as Department telegram 2514 reported French Embassy Washington had suggested February 4 while Foreign Office spoke yesterday of "mid-February". Ministry explained that when French Embassy suggested February 4 Department preferred mid-February. French now ask that date be set which will permit Collins be present.

We raised question contained Department's unnumbered telegram of January 13, 6:23 p.m.,[6] received today by pouch noting again difference in interpretation decisions reached at December 18 Ministerial conversations. We stated that Secretary had made no commitment to change Diem government or associate Bao Dai with any such change. Ministry readily admitted this but at same time observed that Mendes had stated that "we must now prepare our minds for an alternative" (paragraph 3, Embassy telegram 2601[7]) and that Secretary agreed that Collins and Ely should be instructed study alternatives (paragraph 15, Embassy telegram 2601). French also observed that Secretary agreed that Ely and Collins should be requested investigate matter of timing (paragraphs 16 and 17, Embassy telegram 2601). Finally, they maintained it agreed that two Generals should come to a conclusion on three points (paragraph 16, Embassy telegram 2601) and make recommendations to their two governments so that necessary decisions can be taken at next Indochina review.

French used their own notes of meeting to back up their interpretation pointing to fact that Secretary had informed Mendes that every time French had pointed to failings of Diem and were asked what they had in mind as an alternative they had been unable to supply one. They noted specifically Mendes-Dulles exchanges outlined in paragraph 12, Embassy telegram 2601, to effect that US had obstinately closed its mind to possible alternative solution and that investigation of an alternate must be done on careful basis and in the meanwhile we must continue to support Diem (paragraph 14, Embassy telegram 2601). Both statements, they claimed, provided additional evidence that we had agreed to study question of alternative so as to be prepared if need for one should present itself.

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[3] See footnote 5, Document 19.

[4] The reference should be to telegram 2980 from Paris, January 14, which deals with the question of possible tripartite talks. Telegram 2970, January 13, is unrelated to the question.

[5] Dated January 14, not printed. (Department of State, Central Files, 751G.00/1–1455)

[6] The reference is to telegram 2872 to Saigon, pouched to Paris, Document 15.

[7] Dated December 19, 1954; for text, see *Foreign Relations*, 1952–1954, vol. xiii, Part 2, p. 2400.

In order, if possible, to run down question of different interpretations once and for all, we asked French to compare their notes of December 18 meeting with our own. They did so in detail and we must admit that they were virtually identical to our own in most instances and were identical on portions set forth above. Although there seems to be some question whether as his first point Mendes had in mind the Viceroy question or that of supporting Diem (paragraph 2 of Ambassador Dillon's telegram 2697[8]) there appears to be no difference of opinion that second point was to study alternatives to Diem Government for use only in event that it was subsequently decided that government had still not succeeded in its task. Furthermore, appears to be no difference of opinion that third point, as stated in paragraph 16 of Department telegram 2601, was to investigate matter of timing in sense that Ely and Collins should make recommendations to their respective governments in matter, again presumably for submission to joint review. Our impression to this effect not only borne out by our own detailed notes of conversations and by French notes which fit but from Secretary's own recollection as set forth in paragraph 4. In conversation this morning as on several recent occasions, we have emphasized that date is not to be set now for possible replacement Diem but rather that recommendations in matter are to be made and that in any case recommendations for any change in government will only be considered if we agree that Diem government has failed in its purpose. Again we noted that Diem has not failed and is in fact, according to our reports from Saigon, improving.

To summarize, while French admit that Ely and Collins are not to set deadline for replacement Diem and that US made no commitment to change Diem or associate Bao Dai with any such change except in event Diem's failure to make progress makes alternative desirable, they maintain that Ely and Collins have a mandate from December 18 conversations study question of eventual alternatives to Diem and to submit results their respective studies to two governments in anticipation next Indochina review. Findings may or may not be considered depending on progress Diem has made by that time. Trust this meets Department's understanding.

Since drafting above, Ministry has said they will instruct Ely or Daridan or both to attend Washington talks with La Chambre but that from standpoint latter's schedule February 8 or 9 would be earliest date he could be in Washington.

Achilles

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[8] Dated December 26, 1954; for text, see *ibid.*, p. 2425.

22. Memorandum of a Conversation, Department of State, Washington, January 18, 1955[1]

SUBJECT

Various Matters Concerning the Three Associated States

PARTICIPANTS

Secretary of State
Deputy Secretary Robert Anderson, Defense Department
Admiral Arthur W. Radford
Under Secretary Hoover
C—Mr. Douglas MacArthur II
FE—Mr. Walter S. Robertson
EUR—Mr. Livingston T. Merchant
S/MSA—Mr. Frederick E. Nolting
PSA—Mr. Kenneth T. Young, Jr.

1. Viet-Nam

In opening the meeting the Secretary said that in his opinion things seemed to be going better in Viet-Nam. He referred to General Collins' most recent telegram, Saigon's 2811.[2] There was some discussion of the Collins–Ely minute of understanding on the organization and training of autonomous Vietnamese armed forces. The Secretary said that he had the impression that General Collins was proceeding to negotiate satisfactorily with the Vietnamese on a de facto basis. This was confirmed. In reply to the Secretary's question on the status of this memorandum, Mr. Robertson reported that there appeared to be a complete misunderstanding in Paris since the French Embassy had informed the Department this morning that, according to a telegram from Paris, General Collins had agreed to present the French revision to the Vietnamese.

2. Cost Estimates

Mr. Anderson then said that his principal concern was the costs estimate of $700 to $800 million over a two-year period which General Collins had submitted in a recent telegram.[3] Mr. Anderson said that these figures were all well and good but that he thought the figures should be considered on a comparative basis for the area as a whole. What are the chances for effective results? He recalled that when General Collins went out to Viet-Nam, Secretary Dulles had indicated that prospects were very vague, perhaps ten, twenty or thirty percent. The problem was to find the source of funds of such large estimates. The only one in existence is the $700 million fund under Section 121.[4] The Indochina estimates amount to about one-half of that fund. He was worried because Defense has a large number of other items to charge against this same fund.

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[1] Source: Department of State, FE/SEA Files: Lot 59 D 630, PSA. Top Secret. Drafted by Young.

[2] In this telegram, January 17, Collins reported that he had that day informed Diem that he was being recalled to Washington for consultations on Vietnam. Collins put the most favorable light possible on his trip vis-à-vis the Vietnamese situation, which reassured Diem. (*Ibid.*, Central Files, 120.1515G/1–1755)

[3] Apparent reference to telegram 2636, Document 12.

Later on in the meeting Mr. Nolting came in at the Secretary's request to discuss the table of $1,100 million claims on Section 121, which Mr. Stassen had given the OCB recently. Mr. Anderson said that new estimates presented by General Collins appear to be substantially more than previous figures. He wanted to know if there was enough money in this fund to take care of Collins' estimates.

Mr. Nolting replied that there was sufficient money to take care of Collins' estimates. However, the $700 million is oversubscribed by other items, mainly, military hardware amounting to some $550 million. This includes the item of $154 million for the rehabilitation of equipment in Indochina. Mr. Nolting noted that there was about $400 million oversubscribed. The question is what are legitimate claims against this fund. The problem is to place the highest priority tag on these various items to bring the total of claims down to $700 million. In answer to Mr. Anderson's question that there did not seem to be enough money for all the promises made to the various governments, Mr. Nolting replied there was enough to meet existing commitments but not enough to meet additional claims that are considered desirable.

Mr. Nolting said that Governor Stassen had arranged for a meeting with Mr. Hensel and himself to establish priority tags in order to scale down claims against the fund. Admiral Radford asked whether or not there would be any savings out of the $785 million of the 1954 funds. Mr. Nolting said there might be $50 million at most, but that was even doubtful.

3. *United States Training Mission in Cambodia*

The Secretary said that apparently the Defense Department wanted an explicit secret agreement in writing from the Cambodian Government to phase out the French. It seemed to him that this matter could better be taken care of in practice as time went on rather than by a written agreement. That could have pretty bad repercussions. Admiral Radford commented that when he was in Phnom Penh a State Department message had arrived which indicated that the State Department more or less agreed.

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[4] The reference is to section 121 of the Mutual Security Act of 1954, Public Law 665, enacted August 26, 1954; for text of this section, see 68 Stat. 837.

Mr. Robertson said that the principal problem was the great repercussion that such an agreement would certainly cause with the French. If there were nothing to consider but Cambodia there might be no problem but a secret agreement could have a tremendous effect on all our relations with the French across the board. This was one of those cases where a problem in one area leads to more problems in others. He wondered why it would not be just as adequate to seek an agreement which would put the training of the Cambodian forces under the full charge and full responsibility of the US MAAG. The Secretary asked Mr. Anderson and Admiral Radford if we could not use the same formula as in Viet-Nam.

Admiral Radford pointed out that apparently the French have no agreement with the Cambodian Government on a training mission. If we can get an agreement with Cambodia, then the French will not be a party. But he said the question is whether we can go back to the Cambodians and ask them to phase out the French without an explicit agreement. Mr. Anderson explained that the Defense Department feels strongly about this since the US has had no success with the French military where we have tried to work with them. Officers in the Pentagon shudder to think of getting into another such situation in Cambodia. There was general agreement around the table that there had been many difficulties with the French military.

The Secretary commented that oral assurances from the Cambodians might be a possibility, although of course they would not be nearly as effective as a written agreement. Nevertheless, he felt it was necessary to live with the situation and let it work itself out in practice, as far as French military instructors were concerned.

Mr. Robertson then proposed the following draft agreement with the Cambodians as a possible solution:

> "The Cambodian Government, recognizing that the actual direction of an effective program in field of military training and organization must be vested in a single authority, agrees that full responsibility for assisting the Government of Cambodia in the organization and training of its armed forces will be assumed by the Chief of the United States Military Assistance Advisory Group on ——— 1955."

Admiral Radford said he personally could accept this formula since the French could not expect to stay if we had full authority. He pointed out that he was speaking personally and not for the JCS, since their position was that a written agreement on a French phase out was a prerequisite.

Secretary Anderson said that he would go along with State's suggestion.

4. Additional Helicopters for the International Control Commission

The Secretary read from Saigon's 2784.[5] He pointed out that the situation in Laos was becoming more acute and that the Commission was handicapped by lack of helicopters.

Mr. Anderson said that he was worried about opinion in the US. The Americans had heard so much about the failures of the French and the loss of equipment that there might be unfavorable reaction to turning more equipment, especially helicopters in short supply, over to the French. He thought it might be better to loan the helicopters to the Canadian Government which could then make them available to the French to fly and maintain. He thought this would be a much more popular issue. Admiral Radford pointed out that there might be certain operational difficulties since only the French air force has the capability of maintaining and supplying aircraft in Indochina.

Mr. Robertson pointed out that everyone on the spot had underlined the very real shortage—General Collins, General O'Daniel, the British, the Canadians and even the Indians. Mr. MacArthur said that Yost had again urged the very real need for such helicopters to give the Commission more mobility, and pointed out that the situation in Laos could disintegrate.

The Secretary asked Mr. Merchant if the French would regard it as openly offensive if we made the helicopters available to the Canadians instead of the French. Mr. Merchant thought that the French would be slighted but that this could be circumvented perhaps by leasing the helicopters to the Canadians who would ask the French to operate them. Mr. Merchant said that the Canadian Ambassador was coming in to see him this afternoon and asked whether this should be raised with him then.

Mr. Anderson asked Admiral Radford to check up on this matter and report as soon as possible to the Secretary as to whether the helicopters could be made available. He hoped that the matter could be explored first with Canada on a loan basis for six months. Admiral Radford said that the helicopters might be obtained in Korea and Japan. Mention was made of the possibility that the Canadians themselves might have helicopters which they had obtained from the US since they do not manufacture them. It was agreed that Mr. Merchant would explore this matter with the Canadian Ambassador this afternoon.

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[5] In this telegram, January 15, the Embassy in Saigon reported the gist of an aide-mémoire from the French reaffirming the gravity and urgency of the need for helicopters and light aircraft for use by the ICC. (Department of State, Central Files, 751G.00/1-1555)

5. MDA Matériel in Viet-Nam

Mr. Anderson pointed out that this could be a "hot" issue since many members of Congress, particularly certain influential committee members, had expressed great concern over the possible loss of this matériel to the Communists. He pointed out that most of the matériel had been moved out of the north to Saigon. The excess equipment is to be recovered by the US in accordance with the Ely–Collins memorandum of December 1.[6] Admiral Radford pointed out that we were getting most of this back and that it was now undergoing an inventory.

Mr. Anderson said that the problem now was not how much matériel had been moved out of the north and the south but how to get the matériel out of Saigon. It would have been preferable if most of this matériel could have been moved from Haiphong to some other place in the Far East than Saigon. Now it was a question of getting out of Saigon before there was danger that it might be lost.

The Secretary suggested that a report ought to be made to these Congressmen to show them what a good job has actually been done.

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[6] The text of the minute of understanding, signed by Collins and Ely in Saigon and providing for immediate U.S.-French negotiations to establish procedures for the return to U.S. control of excess MDAP equipment is in telegram 1793 from Saigon, November 10, 1954, as changed by telegram 2023 to Saigon, November 18, 1954. (*Ibid.*, 751G.5–MSP/11–1054)

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23. Letter From the Counselor of the Department of State (MacArthur) to the Chargé in France (Achilles)[1]

Washington, January 20, 1955.

Dear Ted: I am writing you this brief personal note to let you know that a number of us here in the Department are very much concerned over the repeated French insistence that Joe Collins and General Ely discuss now and come up with a possible alternative to the Diem Government, should the latter fail. While it is perfectly true that at the December 18 meeting in Paris the Secretary did, as a result of strong insistency by Mendès-France, reluctantly agree that Joe Collins and General Ely were authorized to exchange views on possible alternatives to Diem on a most secret basis, the fact of the matter is that we have no alternative whatsoever to put forward, nor are we willing to consider alternative solutions at this juncture. At a time when Diem at long last appears to be moving ahead in the right direction and making some real progress with corresponding indications of substantial popular support, it would be madness and folly to get involved in an academic exercise where we would have no alternative to put forward and would be unwilling to agree to any alternative which the French might put forward. If the French have an alternative and wish Ely to put it forward, they are at liberty to do so; but it would be slapped down insofar as we are concerned.

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[1] Source: Department of State, Central Files, 751G.00/2–155. Personal and Secret. According to an attached memorandum from MacArthur to Collins, Young, and Tyler, February 1, the source text is a copy of the original sent to Achilles.

With the above in mind, is it not possible for you to get hold of Guy La Chambre, Cheysson, and any others, and dissuade them from continuing to insist on a discussion of alternatives? If they are unwilling to be so persuaded, at least make them come out into the open. We are astonished that they could even think of suggesting Tran Van Huu as you reported Saint-Mleux recently did. I repeat, we are concerned about French insistence because we do not know what is really eating them and what ulterior motives some of them may have in insisting on this exercise at this time when real progress appears to be in the making by Diem.

I think we here in the Department, including myself, have been remiss in not making clearer to you in the light of the satisfactory evolution of events of the past several weeks, our feeling about this exercise so that you would be in a better position to deal with the French on it. I am sure that you will be able to handle this one adequately so that on the one hand it will not appear that the Secretary is in any way repudiating the December 18 talks, and on the other hand we do not become involved in an exercise which if it were leaked by the French could perhaps destroy Diem at the very moment that he seems to be moving ahead favorably.

Yours ever,

Douglas MacArthur II

24. Memorandum From the Special Representative in Vietnam (Collins) to the Secretary of State[1]

[Saigon,] January 20, 1955.

SUBJECT

Report on Vietnam for the National Security Council

1. The situation in Vietnam is most complex and difficult to fathom. My judgments are conditioned by the fact that I have been in Vietnam only two months. However, during this period I have studied intensively the ewvor factors which will affect the outcome of our efforts to save Free Vietnam from Communism. These major factors are:

a) *The Strength and Intentions of the Viet Minh:* Free Vietnam cannot match the military power of the Viet Minh who have, and will retain, the capability to overrun Free Vietnam if they wish. Free Vietnam's ultimate security lies in the military and moral support it may receive under the Manila Pact. Strong affirmation by the signatories to the Manila Pact of their determination to react if hostilities were renewed in Indochina may be an essential factor in deterring the Viet Minh from launching an open attack. Moreover such a declaration would greatly strengthen the Diem Government's position. The Viet Minh have left elements throughout South Vietnam which constitute a continuing threat to the nation's security. On the other hand the Viet Minh have serious economic problems in the North, where semi-confiscatory taxation and other acts of repression have created much dissatisfaction. Knowledge of these adverse conditions of life in the North, as it reaches Free Vietnam, is beginning to have a salutary effect on the attitudes of people in the South and may have considerable bearing on the elections if they are held in 1956.

b) *The Attitude and Intentions of France:* There is considerable doubt in my mind as to the real intentions and objectives of France in Indochina. There is strong evidence that the French favor a new Vietnamese Government which will offer no serious resistance to the Viet Minh or to French direction. Without French support, and that support is far from assured, the survival of Free Vietnam is problematical.

c) *Attitude and Intentions of the Sects:* The politico-religious armed groups called the Cao Dai, Hoa Hao, and Binh Xuyen are anti-Communist in orientation, but feudalistic and regressive in all other respects. At present they have an effective veto power over government action. This power they use to block reforms which might threaten their preferred military, economic and political status. They will retain their power to threaten and harass the government until the National Army is strong enough to neutralize their forces.

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[1] Source: Department of State, Central Files, 751G.00/1–2055. Top Secret. This memorandum, better-known as the Collins report, was the focal point of a reassessment of Indochina policy in Washington culminating in the National Security Council discussion on January 27. The report was submitted to the NSC on January 24 with instructions to keep distribution to an absolute minimum on a "need to know" basis. Attached to the report was a 14-page supplement which provided a brief history and analysis of events in Vietnam since the Geneva Accords, tables on costs and basis of U.S. military and economic support, and estimates of possible contingency fund requirements. The supplement is printed in Department of Defense Study for Use of House Committee on Armed Services, *United States–Vietnam Relations, 1945–1967,* Book 10 (The Pentagon Papers), pp. 865–882.

d) *Loyalty and Effectiveness of the Vietnamese Armed Forces:* When I arrived in Vietnam the Government was terrorized by a rebellious Chief of Staff, General Hinh. Hinh's departure and dismissal shortly thereafter cleared the way for steps to render the Army subordinate to the government. Diem now has a fair measure of control over the armed forces. The Army is being deployed throughout the country to carry out a so-called "National Security Action" program designed to combat Viet Minh infiltration and restore civil government throughout the country. The Army's degree of effectiveness in executing this program will have a decisive bearing on the success or failure of the Diem Government. It is too soon to predict whether or not the National Security Action program will succeed but agreement by the United States to assume training responsibility and to grant financial aid to a reorganized and revitalized national army should have significant stabilizing effects.

e) *Economic Aspects of Free Vietnam:* Free Vietnam is capable of maintaining a viable economy, at modest levels. The territory is now self-sufficient in food and formerly produced a substantial rice export surplus. Rice and rubber are traditionally the principal sources of Vietnamese foreign exchange. As security improves, export availability of these products should increase, thus contributing toward stabilization of the economy.

f) *Ability of Diem to Secure Broad Popular Support:* There is still a serious question in my mind as to whether Diem will be able to establish broad popular confidence in, and support for, his Government. However, he has enjoyed some recent successes in his dealings with the sects. This and his retention of active U.S. support have tended to enhance his prestige. However, Diem has much yet to learn about practical politics and public relations. While at times he conveys the impression of being well over his depth, recently he has evidenced greater flexibility in handling people and increased self-confidence in dealing with his ministers and public issues. On balance I believe that Diem's integrity, strong nationalism, tenacity, and spiritual qualities render him the best available Prime Minister to lead Vietnam in its struggle against Communism.

2. In order to assist the Diem Government to capitalize on its advantages and to overcome the obstacles to its success, I have directed the principal efforts of the United States in Vietnam, in cooperation with the French, toward aiding the Vietnamese to develop and execute a series of emergency programs covering the military establishment, agrarian reform, refugee resettlement, fiscal management, and the establishment of a national assembly. Some progress, of increasing momentum, is being made in all these fields, with corresponding increase in the stability of the Government. The least successful aspect of my mission has been my failure thus far to

induce Diem to broaden his Government by including other able, experienced leaders, such as Dr. Phan Huy Quat, former Defense Minister.

3. Considering all factors, although the situation in Vietnam is not bright, I believe that if Diem has firm U.S. support and guidance and active French cooperation, or at least acquiescence, his Government has a reasonable prospect of success. While the atmosphere in Saigon has improved demonstrably since November, owing to the departure of General Hinh and the backing which the United States Government has given to Diem, I have been unable to determine the extent of improvement in the countryside and villages of Free Vietnam. There the Viet Minh will maintain a significant degree of control until the National Security Action program is well advanced. Moreover, the sects, although displaying some uneasiness that their days of political and financial independence may be numbered, remain devoid of any sense of national conscience and still have the capacity to do great harm. Likewise the prospect of national elections in 1956 hangs as a threat over Free Vietnam. This threat may reach the stage of crisis by July 1955, the period when under the Geneva Accord the two sides are to begin discussions leading to elections. Nevertheless, in my judgment, there is at least an even chance that Vietnam can be saved from Communism if the present programs of its Government are fully implemented.

4. a. Best available estimate of the *costs* for CY 55 of financing programs of military and non-military aid that I recommend are:

CY 55

	1st Half	*2nd Half*
Military	$152.3	$130.9
Non-military	54.2	58.3
Total Costs	$206.5	$189.2
Less Vietnamese Contribution	34.2	34.2
Remaining Requirement for U.S. Funds	$172.3	$155.0

b. In practice, because of delays in making new U.S. appropriations available in Vietnam, Vietnamese calendar year expenses have normally been paid from funds appropriated for the U.S. fiscal year.

c. However, if it is necessary to reduce Vietnam's share of the $700,000,000 currently appropriated for Southeast Asia, it would be possible to limit the amount made available to Vietnam to $172,300,000 (required for 1st half of CY 1955) if we could be assured of $155,000,000 (required for 2nd half of CY 1955) from new FY 1956 appropriations.

d. Estimated costs for CY 1956 are:

CY 1956

	1st Half	*2nd Half*
Military	$91.4	$88.6
Non-military	40.3	33.3
Total Costs	$131.7	$121.9
Less Vietnamese Contribution	28.5	28.5
Remaining Requirement for U.S. Funds	$103.2	$93.4

e. The requirement for U.S. funds for the second half of CY 1955, $155.0 million, added to the requirement for U.S. funds for the first half of CY 1956, $103.2 million, or a total of $258.2 million, would be the total requirement for U.S. FY 1956 appropriations. A contingency fund of $20 million may be required for FY 1956 as indicated in Enclosure "B".

5. In view of the importance of Vietnam to all of Southeast Asia, I am convinced that the United States should expend the funds, matériel, and effort required to strengthen the country and help it retain its independence. I cannot guarantee that Vietnam will remain free, even with our aid. But I know that without our aid Vietnam will surely [illegible] Communism. If the chances of success are difficult to calculate, the results of a withdrawal of American aid are only too certain, not only in Vietnam but throughout Southeast Asia. Such a withdrawal would hasten the rate of Communist advances in the Far East as a whole and could result in the loss of Southeast Asia to Communism. In my opinion, the chance of success is not only worth the gamble; we cannot afford to let Free Vietnam go by default.

J. Lawton Collins

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25. Editorial Note

In response to a request by Secretary of Defense Wilson on January 5 for an assessment of the impact of the loss of South Vietnam, of continued but reduced assistance to South Vietnam, and of contingencies in between, the Joint Chiefs of Staff concluded that the suggested possibilities were incomplete. The Joint Chiefs considered the following courses of action to be available to the United States in light of the current situation in South Vietnam: a) to continue aid as currently being developed with the cooperation of the French and Vietnamese; b) to institute a unilateral program of direct guidance to South Vietnam through an "advisory" system, under which "the amount of U.S. aid should be dependent upon Vietnamese adherence to U.S. direction"; c) if neither of the above proved sufficient to save South Vietnam, "to deploy self-sustaining U.S. forces to South Vietnam, either unilaterally or as a part of a Manila Pact force"; and d) to withdraw all support from Vietnam and concentrate on the rest of Southeast Asia. In their conclusion, the Joint Chiefs did not, in the absence of a necessary "firm decision at national level as to implementation of U.S. policy in Southeast Asia," recommend any one of these options, but did express their opposition to what they termed "a 'static' defense for the area" and recommended adoption of a "concept of offensive action against the 'military power of the aggressor.' " For text of the memorandum by Wilson of January 5 and the Joint Chiefs response of January 21, see *United States–Vietnam Relations, 1945–1967*, Book 10, pages 860–863.

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26. Telegram From the Secretary of State to the Embassy in France[1]

Washington, January 24, 1955—8:37 p.m.

2629. Achilles from Secretary. Following General Collins' return to Washington today, we have been discussing various problems in Viet-Nam.

I feel that the first matter requiring decision is to resolve our present outstanding differences with the French regarding the memorandum of understanding signed by Generals Collins and Ely on December 13 and the revision submitted to us by the French on January 7. To settle this point, I want you to see Mendès-France as soon as possible and give him this personal message from me: (I leave to your judgment best way notify Faure to ensure he does not feel bypassed. I feel importance this matter requires approach to Prime Minister.[2])

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[1] Source: Department of State, Central Files, 751G.5/1–2455. Top Secret; Priority. Drafted by Merchant and Hoey and cleared with Robertson, Collins (in draft), and Dulles, who added the closing phrase "with kind personal regards" and signed it. Repeated for information to Saigon. /

"Dear Mr. President: I have been concerned over our differences with respect to the issues covered in the memorandum of understanding signed by Generals Ely and Collins on December 13 and by the subsequent proposed revision of that memorandum drawn up by your government.

General Collins and I talked this matter over this afternoon and we reached agreement on the following actions which I hope you will find acceptable and will adopt finally to settle this matter.

There are two fundamental points of difference between the agreement between Generals Ely and Collins and the revised text proposed by your Government, one, in regard to the autonomy of the Vietnamese Army, to be accomplished by July 1, 1955, and two, the conditions under which the US MAAG will carry out training functions with respect to the Vietnamese Army.

I suggest that the first point be taken care of by a letter from General Ely to the Prime Minister of Viet-Nam which would state that by July 1, 1955 the Vietnamese National Army will be completely autonomous, specifically that all units of that Army will be staffed and commanded by Vietnamese officers.

This is a matter to be agreed to between France and Viet-Nam but it is also a prerequisite to American financial support of the Vietnamese Army and to American assistance in training that Army.

The second point could in our view be resolved by means of a letter from General Ely to General Collins which would specify that 'It is agreed that United States personnel will be assigned, together with French personnel, as advisers to and instructors of the Vietnamese armed forces. All US and French advisory and training personnel assigned or detached to the Vietnamese armed forces will be under the direction of the Chief MAAG acting under the general authority of General Ely. As the efficiency of the Vietnamese armed forces increases, the number of US and French advisers and trainers will be decreased'. These suggested texts do not in anyway derogate from General Ely's present authority.

If those two points were satisfactorily resolved, I believe we would both be in positions to move ahead rapidly on an agreed basis, in Viet-Nam.

Since the questions of autonomy of the Vietnamese Army and the role of the United States MAAG with respect to training responsibilities could be settled by this means, there would appear to no longer be the necessity of an agreed memorandum of understanding, such as Generals Collins and Ely drafted, or along the lines proposed in your subsequent proposed revision and we would be agreeable to having these letters take the place of the memorandum of understanding.

I hope you will agree with me that this suggestion will permit us to end an argument which seems to me increasingly sterile. I also am sure that you understand that agreement on these two open matters is a prerequisite to the United States making the massive investment to preserve South Vietnam in freedom which is our purpose. Given our common aims and the continued close and cordial cooperation which has marked the relations between General Ely and General Collins in the field I have a growing conviction that we will succeed. With kind personal regards. Foster Dulles."

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[2] According to telegram 3135 from Paris, January 25, Achilles was unable to see Mendès-France who was tied up in the Senate on January 25, but the Chargé received assurances that the message would be delivered to the French Prime Minister that evening. Foreign Minister Faure was also given a copy. (*Ibid.*, 751G.5/1–2555)

Dulles

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27. Letter From the Chargé in France (Achilles) to the Counselor of the Department of State (MacArthur)[1]

Paris, January 27, 1955.

DEAR DOUG: Thanks for your letter of January 20[2] about the continuing French desire to consider alternatives to Diem. We have never had the slightest doubt as to Washington's position about this and have lost no opportunities to make it clear to the French.

There have of course been continuing signs of misunderstanding as to what the Secretary had actually agreed to at the December 18 meeting on Indochina. The French seized upon the Secretary's agreement that Collins and Ely should be authorized to exchange views on possible alternatives to Diem and that they would be permitted to express their conclusions at the next joint go-around on Indochina. When various telegrams from the Department and Saigon began to indicate that General Collins had not been authorized to exchange such views with Ely, we thought it best to bring the matter to a head so that any misunderstanding could be cleared up promptly. That was the purpose of the Embassy's most recent telegram on the subject (Embtel 3034[3]).

The French position is that, as was agreed December 18, they be given a hearing. In accepting this principle we have warned them repeatedly that since our Embassy in Saigon has reported that Diem has now begun to show signs of improvement they should expect little or nothing from us on alternatives in the next go-around. We have reminded them that, as agreed, any suggestion for an alternative solution would only be considered if Diem continued to fail, which we now maintain is no longer the case. This was told Saint-Mleux most recently as reported in our telegram 3034.

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[1] Source: Department of State, Central Files, 751G.00/2–155. Personal and Secret.
[2] Document 23.
[3] Document 21.

I fear, however, that it will be impossible for us to dissuade Mendès through La Chambre, Cheysson or others from continuing to insist that any plan they may be concocting be given at least a hearing. They have been preparing to bring such a plan to the surface since December 18 and, we are told, their own analysis of the present situation does not permit them to accept our thesis that Diem's improvement has completely obviated the need for a change of some description.

We shall continue to discourage them to the best of our ability and also seek to force any plan they have out into the open as you suggest. However, we do not believe that they have any definite one as yet. The La Chambre–Saint Mleux scheme for a coalition including Tran Van Huu, Tam and Quat reported in Embtel 2866 of January 6[4] and confirmed in Saigon 827[5] is, we think a La Chambre–Saint Mleux trial balloon and may not have Ely's approval. It certainly hasn't Mendès—yet. Cheysson was definitely inclined to the Buu Hoi formula but is still groggy from the manner in which we slapped that down and hasn't brought up anything new with us in recent weeks. Bill Gibson is taking him to lunch this week in an effort to smoke him out and will use the occasion to make it clear again that the French need not hold out any hopes for U.S. consideration of any alternative scheme.

As to what is really eating the French, I think it is a combination of factors whose relative importance is hard to evaluate. One is a sincere belief that Diem is personally incapable of doing the necessary job, has too many cards stacked against him and does not represent even the best available solution. We believe that Ely's and Daridan's reports are along this line. Another is the widespread opinion in Parliament and the press that the Diem formula was forced on the Government against its better judgment and accepted only in the general interests of Franco-American relations. Mendès wishes to be able to point to the fact that he has at least tried to get us to change. The extent to which less creditable motives such as jealousy of U.S. influence in Vietnam, the desire to replace "anti-French" Vietnamese by pro-French ones or more sinister thinking along "Sainteny" lines enters into the picture is hard to say.

We do not think the Department has been at all remiss about letting us know its feelings. We have become increasingly aware of the desire to avoid any serious consideration of alternatives from your recent telegrams and your letter seals it up. It also relieves our mind of the thought that there might be a misinterpretation in

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[4] Document 9.

[5] Telegram 827 from Saigon to Paris, January 22, sent to Washington as 2894. (Department of State, Central Files, 751G.00/1–2255)

Washington of what the Secretary agreed to on December 18. Having your specific statement that we are unprepared to put forward any alternative solution ourselves or to consider any put forward by the French helps us considerably in our task of dealing with the French on the problem. I am sure we can help further in preparing for what is to come without in any way backing away from the understandings reached in the December 18 talks. The Department's suggestion that the next go-around take place in Bangkok in conjunction with the Manila Pact meeting is, in my opinion, excellent, and our first approach to the Quai on it was well received. We note that Eden has already agreed to it and trust this will help persuade the French and permit us to confirm acceptance in a day or so.

Again thanks for your helpful letter.

Yours ever,

Ted

Theodore C. Achilles

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28. Memorandum of Discussion at the 234th Meeting of the National Security Council, Washington, January 27, 1955[1]

Present at the 234th Council meeting were the President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Attorney General (for Items 2 and 3); the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission; Mr. Washburn for the Director, U.S. Information Agency (for Item 4); the Special Representative in Vietnam (for Item 4); the Deputy Secretary of Defense, the Secretary of the Army, the Secretary of the Navy, and Mr. Douglas for the Secretary of the Air Force (for Item 4); the Chairman, Joint Chiefs of Staff; the Chief of Staff, U.S. Army; the Chief of Naval Operations; General White for the Chief of Staff, U.S. Air Force; and the Commandant, U.S. Marine Corps (for Item 4); the Director, Policy Planning Staff, Department of State; the Counselor, Department of State (for Item 4); Assistant Secretary of State Robertson (for Item 4); the Director of Central Intelligence; Robert Cutler, Joseph M. Dodge, and Nelson A. Rockefeller, Special Assistants to the President; the White House Staff Secretary; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

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[1] Source: Eisenhower Library, Whitman File, NSC Records. Top Secret. Drafted by Gleason on January 28.

There follows a summary of the discussion at the meeting and the main points taken.

[Here follows discussion of items 1. "Significant World Developments Affecting U.S. Security", 2. "Exploitation of Soviet and European Satellite Vulnerabilities", and 3. "U.S. Policy Toward Russian Anti-Soviet Political Activities".]

4. *Report on Vietnam for the National Security Council* (Annex A to NSC 5429/5;[2] NSC Action No. 1259–e;[3] Memo for NSC from Executive Secretary, same subject, dated January 24, 1955[4])

At this point the Vice President was obliged to leave the meeting. General Collins entered, together with other specially invited people, including the Service Secretaries and the Joint Chiefs of Staff. General Collins asked Mr. Cutler how long he would have to make his oral report. Mr. Cutler asked how long General Collins wanted. General Collins replied, twenty minutes.

General Collins said his oral report would be divided into three main parts. First, the situation as he had seen it when he got to Saigon; second, the seven-point program for Vietnam agreed between him and the French Commander-in-Chief, General Ely; and third, the major factors upon which the outcome for Free Vietnam would depend. He would conclude, he said, with a discussion of dollar figures and costs.

General Collins said that when he arrived in Saigon he confronted a situation of open rebellion, of which General Hinh was the instigator. He had succeded in stopping this rebellion promptly, and ultimately got Hinh out of the country. When he had reached France, Hinh had been stupid enough to offend Bao Dai. This finished him off, for the time being at least.

Once Hinh was out of the way, things began to pick up, and General Collins said that he could move ahead on the seven-point program which he would now describe. First of the seven points was the program to nationalize the Vietnamese armed forces and to deal with the splinter armies which were being maintained by the sects, the Cao Dai, etc. He had done this, General Collins said, by announcing simply that the United States would support but one army, the Vietnamese National Army. Things were now being squared away, and if only Hinh keeps out of the way the outlook will be very favorable.

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[2] Dated December 22, 1954; for text, see *Foreign Relations*, 1952–1954, vol. XII, Part 1, p. 1062.

[3] Paragraph e of NSC Action No. 1259, adopted at the 221st meeting of the NSC on November 2, 1954, reads as follows:

"[The NSC] Noted that the President is appointing General J. Lawton Collins as the Special Representative of the United States in charge of all U.S. activities in Free Vietnam." (Department of State, S/S–NSC (Miscellaneous) Files: Lot 66 D 95)

For text of the memorandum of discussion at the NSC meeting, including NSC Action No. 1259, see *Foreign Relations*, 1952–1954, vol. XIV, Part 1, p. 827.

[4] This memorandum transmitted the Collins report to the NSC. (Department of State, S/P–NSC Files: Lot 62 D 1, Far East, U.S. Policy Towards, Collins Report on Vietnam) The Collins report is printed as Document 24.

The second point: The Vietnamese National Army, which had formerly been concentrated in and about Saigon, was now in the course of being deployed throughout the country, with the duty of carrying out the so-called "national security program". This involved taking over civilian control in various areas from the Vietminh. Success in this enterprise was fundamental to a favorable solution for Free Vietnam.

The third point in the program involved the reorganization of the national armed forces of Vietnam. Prime Minister Diem has formally requested the United States to undertake the training of this army at a level of 100,000 personnel.[5] The new Defense Minister, Minh, must be regarded as promising.

The next important point in the seven-point program had to do with the resettlement of refugees from the Vietminh-controlled area in the north. 500,000 such refugees had already fled from North Vietnam to the south. It was quite a thrilling sight, added General Collins, to see the refugee camps. While their squalor was disheartening, one took courage from the fortitude of these people who had so prized liberty and democracy that they had fled from their homes. The great problem was now where to settle them in places were they could earn a living, or how to get them onto the land. To complicate matters, 100,000 additional refugees were anticipated before the closing date in April and May.

Accordingly, the next point in the seven-point program was closely connected with the resettlement problem the program for agrarian reform. This program, said General Collins, would be announced very shortly. Prime Minister Diem's regime feels that it can seize land not now under actual cultivation and hold such land over a period of three years. Thereafter the tenant holders might conceivably acquire actual ownership through recourse to loans from capital agrarian banks which are to be established. This was a vital program.

The next point involved the creation of a Vietnamese National Assembly. For the moment, Bao Dai was the only existing source of legal power in Vietnam. He could even fire Diem if he were so minded. Accordingly, it was the more imperative to create a National Assembly as rapidly as possible. Since free elections to such an assembly were not possible under present conditions, the idea was to create at once a provisional and appointive assembly, rather than an assembly with constituent powers. The first thing that a constituent assembly would do would be to throw out Bao Dai, and he cannot be spared just yet. General Collins expressed the hope that the convocation of the provisional assembly could be announced by Diem within the next month.

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[5] The text of the communiqué released by Diem on January 20 announcing and summarizing this request is in telegram 2877 from Saigon, January 21. (Department of State, Central Files, 751G.5–MSP/1–2155)

The next point in the program had to do with fiscal and economic conditions in Vietnam. As a result of recent conferences in Paris, Vietnam was now a truly free country from an economic point of view for the first time. While much remains to be done, the economy seems to be on the right track. There will be an obvious need for U.S. financial advisers, and we must remember that the French are very sensitive to American participation in the financial affairs of Vietnam.

The next field is one which the French themselves have introduced: the program for cultural relations and education. General Collins pointed out that here again the French were very sensitive about retaining their cultural leadership. He said, however, that he firmly believed in the wisdom of Governor Stassen's recent contract with the Michigan State University, which is establishing at Saigon an Institute of Public Administration.[6]

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[6] Dr. Wesley R. Fishel of Michigan State College (later University) met Diem in 1950 and became a close personal friend. At Diem's request, Fishel came to Vietnam in August 1954 as a consultant to the Vietnamese Government and to USOM and arranged for a survey team of four MSU faculty members to tour Vietnam. In October the team recommended the creation of a technical assistance program in public administration, economics, public information, and police administration as a supplement to existing U.S. assistance. (Arthur F. Brandstetter, James H. Denison, Charles C. Killingworth, and Edward W. Weidner, Chief of Mission, "Report of the Special FOA Mission from Michigan State College for Public Administration, Public Information, Police Administration, and Public Finance and Economics" (Saigon, October 16, 1954) (mimeographed) is in Michigan State University Archives and Historical Collection, Hannah Papers, UA 2.1.12, Box G, Vietnam Project 1954)

In two contracts between Michigan State and the FOA and the Government of Vietnam, signed in April and May of 1955, respectively, MSU was authorized to send up to 30 people to Vietnam, where most of its personnel were placed on the rolls of the National Institute of Administration. The public information proposal was not implemented, and the program in economics was small in comparison to the two principal projects in public and police administration. The first report of the team, dated August 19, 1955, is in Department of State, FE/SEA Files: Lot 58 D 266, Vietnam 1955 and 1956.

For a survey of MSU's role in Vietnam by members of the project, see Robert Scigliano and Guy Fox, *Technical Assistance in Vietnam: The Michigan State University Experience* (New York, Praeger, 1965).

The largest collection of the records of what became known as the Michigan State University Group (MSUG) is the Vietnam Project Archive, located at Michigan State

Continued

Last in the seven-point program was the effort to broaden the base of the present government. As of the present, the sects have far too large a representation, in view of their lack of genuine interest in effective government. Some little progress has been made in broadening this base, but Prime Minister Diem is reluctant to take anyone into his cabinet who he views as a potential rival. This, of course, includes the best candidates.

Upon completing his discussion of the seven-point program, General Collins recapitulated the five factors in his written report, upon which he believed the outcome of the struggle to save Vietnam would depend.

The last portion of General Collins' report dealt with the United States assistance program. He spoke from two charts, the first entitled "The Vietnamese Budget for Calendar Year 1955"; the second, "Cost Estimates: U.S. Support of Vietnam". The figures in the latter chart were identical with those set down in his written report, said General Collins, and he described this as the "proposition" he had recommended to FOA.

In conclusion, General Collins stated that he certainly did not wish to appear to be too optimistic, but if all the things which he recommended were carried through, there was at least a 50–50 chance of saving South Vietnam from the Communists.

At the conclusion of General Collins' oral report, the President asked Governor Stassen whether he had enough funds for Fiscal Year 1955 and Fiscal Year 1956 to take care of the assistance program as outlined by General Collins. Governor Stassen replied in the affirmative.

The President then turned to General Collins and said that the one thing which he had failed to give in his report was his own guess as to what the Vietminh were likely to do in Free Vietnam. In reply, General Collins stated that the French had recently obtained a report on this subject which they regarded as very trustworthy. This report indicated the intention of the Vietminh for the time being to lie low in Free Vietnam and observe strictly the rules of the game agreed upon at the Geneva Conference. However, said General Collins, if the so-called national security program for Free Vietnam really worked out and the control of the Vietminh was seriously challenged in Free Vietnam, the Vietminh might well consider resort to overt military action to assure themselves of gaining or retaining power over Free Vietnam.

University Archives and Historical Collections. At the same location are the Papers of John A. Hannah and the Papers of Wesley R. Fishel. All three of these collections are cited and described in the Source List accompanying this volume. Additional documentation is in the Collins Papers and in various decimal and lot files of the Department of State.

Mr. Cutler then pointed out to the Council that the Planning Board had discussed at a recent meeting the contents of General Collins' written report, and had recommended as a result possible Council action on various points raised in the report.[7] He indicated the nature of the recommended Council actions. The first of these recommended actions called for a reaffirmation by the signatories of the Manila Pact. Assistant Secretary of State Robertson expressed the opinion that it was essential for the future of Free Vietnam that the validity of the Manila Pact be reaffirmed.

The second action recommended by the Planning Board called on the United States to continue to press the French Government to carry out their part of the Minute of Understanding between the U.S. and France agreed to last September in Washington.

Secretary Dulles expressed the opinion that it was probably impossible to get an absolutely clear decision on Vietnam from the French. The difficulty was getting the French to realize that if Free Vietnam is to be saved the United States will save it. In any case, we could not have a showdown with the French because they will never agree to one. We will accordingly have to live with the problem as an evolutionary process in the course of which the French will come to realize the essential role of the U.S. in saving Vietnam. This did not mean, said Secretary Dulles, that we should not continue to prod the French to live up to their agreements.

General Collins cited M. La Chambre's recent visit to Bao Dai, in the course of which he urged the latter to return to Saigon.[8] It was this kind of thing that was so disturbing about the French attitude. Moreover, continued General Collins, the French are now attempting to walk out on the Memorandum of Understanding concluded between himself and General Ely. These are things which we must try to get the French to put an end to.

Secretary Dulles indicated that he planned to discuss these matters at the ministerial level at the forthcoming Manila Pact meeting in Bangkok.[9] Discussion was not practical at an earlier date, and he anticipated strong support from Anthony Eden at Bangkok.

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[7] A list of the recommendations resulting from the Planning Board's meeting on January 26, along with comments by the Bureau of Far Eastern Affairs, are in a memorandum by Young, "Major points for NSC consideration of General Collins' report on Viet-Nam of January 27, 1955", January 26. (Department of State, S/P-NSC Files: Lot 62 D 1)

[8] For more detail on the purpose of La Chambre's meeting with Bao Dai, see Document 15.

[9] February 23–25.

The third and fourth recommendations of the Planning Board elicited no discussion by the Council, and were promptly agreed to.[10]

With respect to the fifth recommendation—calling for careful preparations to meet the eventuality of the all-Vietnam elections to be held in July 1956—Secretary Dulles pointed out that it was altogether illusory to imagine that the United States could possibly succeed in getting any agreement by the Communists for calling off these elections, which were part of the Geneva Accord. There were, however, said Secretary Dulles, other techniques, many of which were very familiar to the Soviets, for preventing the holding of these elections.

The sixth recommendation of the Planning Board, which called for approval in principle of the programs for U.S. military and non-military aid to Vietnam, as well as approval of the general magnitude of the costs of these programs, occasioned a general discussion of the costs of the program and of the availability of funds. In the course of the discussion, Governor Stassen said he could reassure the Council that he had resources available to carry out the program and the costs indicated by General Collins, while at the same time carrying out comparable programs for Laos and Cambodia. Governor Stassen said his immediate concern related to the attitude of the French toward our proposed support of the French Expeditionary Corps. We had indicated that we would provide only $100 million for this purpose, and the French had replied that if we gave no more than this amount they would be obliged to cut the level of the Expeditionary Corps below the agreed number of 75,000.

General Collins said that it would create a serious problem if the size of the French Expeditionary Corps were drastically cut prior to a solution of the problem presented by the elections in Vietnam in July 1956. Secretary Dulles, on the other hand, expressed the view that the French were bluffing. General Collins agreed with him that it would not be in the interests of the French themselves to cut the size of their Expeditionary Corps much below the 75,000 figure. Admiral Radford agreed with these views, and Governor Stassen expressed the opinion that he should stand on the offer of $100 million.

With respect to the Council's action approving as a general order of magnitude the costs of the program of assistance to Vietnam which he had presented, General Collins expressed the hope that he could be given some sort of definite figure before he returned to Saigon next Thursday. Governor Stassen stated that he was ready to recommend a figure now to the President if the State Department agreed to it.

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[10] In recommendation 3 the Planning Board suggested continued support of Diem under present conditions and in recommendation 4 suggested endorsement of the Collins seven-point program.

As to the last Council action recommended by the Planning Board—namely, the reaffirmation of the validity of our policy on Indochina set forth in NSC 5429/5, which called for the U.S. to take all feasible measures to save Vietnam—the President observed that this was a good deal like repeating the Doxology.

The National Security Council:[11]

a. Noted and discussed an oral summary of the subject report by General J. Lawton Collins, Special Representative in Vietnam, transmitted by the reference memorandum.

b. Agreed that the United States should:

> (1) Seek action at the Bangkok Conference by signatories to the Manila Pact to reaffirm their determination to react, in accordance with the Pact, if hostilities are renewed in Indochina.
>
> (2) Because the survival of Free Vietnam is problematical without French support, continue to press the French Government to carry out their part of the Smith–La Chambre Minute of Understanding and the principal provisions of the Collins–Ely Memorandum of Understanding.
>
> (3) Continue to support the South Vietnam Government headed by Diem.

c. Endorsed the continuation of the emergency programs instituted in South Vietnam covering the military establishment, agrarian reform, refugee resettlement, fiscal management, and the establishment of a national assembly.

d. Noted that the State Department is studying and will recommend to the Council within the next two months a specific policy with reference to the all-Vietnam elections to be held in July 1956 under the terms of the Geneva Accord.

e. Approved in principle the programs of military and non-military aid for South Vietnam, and the general order of magnitude of the costs thereof; subject to action by responsible departments and agencies to screen such programs in detail and to determine the availability of funds therefor in accordance with the normal budgetary process, if possible prior to General Collins' return to South Vietnam.

f. Reaffirmed paragraph 10–a of NSC 5429/5.

Note: The actions in b, c, e and f above, as approved by the President, subsequently transmitted to the Operations Coordinating Board as the coordinating agency for NSC 5429/5, to provide guidance in the implementation of paragraph 10 thereof. The action in d above, as approved by the President, subsequently transmitted to the Secretary of State.

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[11] The following paragraphs and note constitute NSC Action No. 1316, the record copy of which is in Department of State, S/S–NSC (Miscellaneous) Files: Lot 66 D 95.

S. Everett Gleason

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29. Telegram From the Chargé in France (Achilles) to the Department of State[1]

Paris, January 28, 1955—8 p.m.

3195. Roux gave us this afternoon French Govt position on Secretary's proposal (Deptel 2629[2]), saying that Mendes personally had asked him convey these views to us. Roux said that with exception two minor modifications in text letter from Ely to Collins on MAAG training role, French Govt prepared accept two points contained Secretary's proposal. As regards letter from Ely to Collins, French Govt prefers combine first two sentences US suggested draft to read as follows: "It is agreed that all US and French advisory and training personnel assigned or detached to the Vietnamese armed forces will be under the direction of the Chief MAAG acting under the general authority of the Commander in Chief". Roux reiterated reasons (second para reftel[3]) for eliminating phrase in first sentence "US personnel will be assigned" and for use term "Commander in Chief" instead of more personalized reference to "Gen Ely". Roux said, however, that French Govt has decided not ask for inclusion reference letter from Ely to Collins that MAAG responsibilities be carried out "in conformity with agreements in force" (third point second para reftel).

Principal point French Govt position as outlined by Roux that indicated third para reftel. Roux reiterated that since French Govt prepared give US assurances in form letters proposed by Secretary subject above modifications, and since this then presumably would satisfy US criticism of shortcomings French January 7 proposal, French Govt hoped that US Govt could see its way clear to meet equally strong French desires to use French January 7 proposal in French-US approach Vietnamese Govt. Roux said once again that French desired use document such as French January 7 proposal in approach Vietnamese Govt in order underline joint nature Franco-American approach and in order have agreed document that could if necessary be made public and that could be used in connection with possible future French Parliamentary inquiries for example. Roux concluded saying that he personally thought French proposal reasonable and that he hoped that we could settle this matter quickly and to satisfaction both sides.

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[1] Source: Department of State, Central Files, 751G.5/1–2855. Top Secret. Repeated for information to Saigon.

[2] Document 26.

[3] While there is no indication in the source text of the specific number of the reference telegram, Achilles is apparently referring to telegram 3173 from Paris, January 27, in which he reported concern by an unnamed Foreign Ministry official (whose position in the Quai d'Orsay coincided with Roux's) that Mendes-France was under increasing pressure at home to insure that the Geneva Accords were strictly observed. The phrase, "U.S. personnel will be assigned" conceivably opened the door to charges that the United States intended to increase the MAAG ceiling in Vietnam above the figure allowed by the Geneva Accords. (Department of State, Central Files, 751G.5/1–2755)

With respect to Cambodian army training problem (Embtel 3174[4]), Roux said this "much more delicate matter" and that preliminary French views this regard being transmitted French Embassy Washington for presentation to Department.

Achilles

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[4] Not printed.

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30. Telegram From the Acting Secretary of State to the Embassy in France[1]

Washington, February 1, 1955—7:16 p.m.

2726. Paris 3195 repeated Saigon 485.[2] We are still concerned over potential misunderstanding which may result from French use of January 7 version as "agreed document that could, if necessary, be made public". Our position is that French version in itself was not satisfactory to U.S. After talking with General Collins however and since we desire see early solution this important matter Department feels French revision dated January 7 of Ely–Collins Minute of Understanding is acceptable, only if implemented in conjunction with a letter from General Ely to Diem regarding autonomy and a letter from General Ely to General Collins defining the role of the U.S. MAAG. These three documents will therefore constitute a satisfactory substitute for the original Ely–Collins memorandum of understanding. You should inform Foreign Office our acceptance French counter proposal is based on following commitment by France:

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[1] Source: Department of State, Central Files, 751G.5/1–2855. Top Secret. Drafted by Hoey and cleared by Young, MacArthur, Murphy, and Collins and in EUR. Repeated for information to Saigon. Dulles was on vacation outside Washington January 29–February 5. (Princeton University Library, Dulles Papers, Dulles Appointment Book)

[2] *Supra.*

a. A letter to be sent from General Ely to General Collins stating: "It is agreed that all U.S. and French advisory and training personnel assigned or detached to the Vietnamese Armed Forces will be under the direction of the Chief MAAG acting under the general[3] authority of the Commander in Chief of the French Union Forces in Viet-Nam. (Note U.S. addition of preceding words, added for clarity.) As the efficiency of the Vietnamese Armed Forces increases, the number of U.S. and French advisors and trainers will be decreased."

b. A letter from General Ely to Diem which will include the phrase that "The Armed Forces of Viet-Nam will be completely autonomous by July 1, 1955; specifically that all units of these armed forces will be staffed and commanded by Vietnamese officers."

These two letters then and the French revision of 7 January would be acceptable to the U.S. in place of the original Ely–Collins Minute of Understanding.

To finally settle issue we propose French Government should instruct Ely dispatch letters to Diem and to Collins soon as possible, probably by February 4. (Latter to be held in Saigon by Kidder pending his arrival.)

Hoover

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[3] In telegram 3240 from Paris, February 2, Achilles reported that the French Foreign Ministry accepted all revisions proposed except the word "general" in this sentence. The reason given by the French was that it was untranslatable into French. Achilles suggested with French concurrence that "overall" be substituted (translated as "haute" or "superieure" in the French text). The Department of State agreed in telegram 2742 to Paris, February 2. (Department of State, Central Files, 751G.5/2–255)

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31. Memorandum From the Director of the Foreign Operations Administration (Stassen) to the President[1]

Washington, February 3, 1955.

SUBJECT

Additional Assistance for Cambodia, Laos, and Vietnam

Approval of the Use of Funds Appropriated for Assistance Authorized by Section 121 of the Mutual Security Act of 1954

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[1] Source: Department of State, Central Files, 790.5–MSP/2–355. Confidential. A stamped notation at the end of the source text indicates that the original of this memorandum was signed by Stassen.

The Mutual Security Act of 1954 provides under Section 121 that funds authorized and appropriated thereunder are to be made available on such terms and conditions as the President may specify for expenses necessary for the support of forces of nations in the area of Southeast Asia and for other expenditures to accomplish in Southeast Asia and the Western Pacific the policies and purposes declared in the Act. Under Executive Order 10575, dated November 6, 1954, any utilization of these funds in excess of $150,000,000 for Indo-China, or in any amount for purposes other than for Indo-China, must be approved by the President.

In order to carry out in Vietnam the recommendations of the Special Representative of the President, General Collins, and for parallel action in Cambodia and Laos as recommended by the United States country teams in those countries, it is recommended that, in furtherance of the policies and purposes of the Mutual Security Act of 1954 in Southeast Asia and the Western Pacific, the President approve from funds appropriated pursuant to Section 121 of that Act the additional allocation of up to $324,800,000 to the Director, Foreign Operations Administration, for the purpose of providing further assistance to Cambodia, Laos, and Vietnam. The allocation recommended herein is additional to the $150,000,000 already authorized for this purpose in Section 107(a)(4) of Executive Order 10575.

The additional $324,800,000 is required in order to provide funds in FY 1955 for the three countries, as follows:

(in millions of dollars)

	Total	*Cambodia*	*Laos*	*Vietnam*
Direct Forces Support (CY 1955)	393.2	44.0	46.0	303.2
Defense Support (FY 1955)	100.0	13.2	7.3	79.5
Subtotal	493.2	57.2	53.3	382.7
Less: Anticipated Local Govt Contribution	-83.4	-15.0	0.0	-68.4
Net U.S. Cost	409.8	42.2	53.3	314.3
Plus: U.S. Contribution to Support of French Expeditionary Corps	+100.0			
Total Cost to U.S.	509.8			
Less: French franc counterpart applicable to FEC Support	-35.0			
Less: Previous allotments from Section 121	[2]-150.0			
Additional Assistance Required	324.8			

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[2] A more detailed breakdown of this figure is in a memorandum from Stassen to Eisenhower, February 2. (*Ibid.*)

The amounts for Direct Forces Support to Cambodia, Laos, and Vietnam provide for calendar year 1955 financing of aid heretofore made available through France. The cost estimates are based on national force levels considered necessary to accomplish a twofold mission: the establishment and maintenance of internal security; and the capability of providing sufficient initial resistance to external attack to prevent the countries from being rapidly overrun before outside assistance can be brought to bear. As further security until national forces have achieved the requisite military effectiveness, it is proposed that the United States help defray the costs of the French Expeditionary Corps.

Unlike direct forces support, Defense Support assistance has been channelled directly to the three States since inception of the programs in FY 1951. Both the character and scope of assistance, however, have been substantially changed in FY 1955. Some $45 million has been programmed for aid to Vietnam for evacuation, relief and resettlement of about half a million refugees from areas north of the 17th parallel. An additional $55 million, distributed among the three States as indicated above, will provide continuing support for projects of proven value initiated in earlier years and for an expansion of activities needed to strenghthen the governments and economies of the three countries.

Both the magnitude and types of assistance proposed for financing in FY 1955 are considered to be essential to the achievement of the major objectives underlying General Collins' 7-point program for Vietnam and the parallel actions recommended by the United States country teams for Cambodia and Laos.

The Secretary of State, the Secretary of Defense and the Director of the Bureau of the Budget concur in the recommendation contained in this memorandum.[3]

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[3] According to telegram 3366 to Saigon, February 9, Eisenhower approved this request on February 3. The Department of State then authorized Kidder to negotiate, over his signature, an exchange of notes with Vietnam on direct forces support. (*Ibid.*, 751G.5–MSP/2–955) In telegrams 3368 and 3340, February 9 and 10, Kidder received verbatim draft texts of the notes to be exchanged. (*Ibid.*, 751G.5–MSP/2–955 and 751G.5–MSP/2–1055, respectively)

32. Telegram From the Chargé in Vietnam (Kidder) to the Department of State[1]

Saigon, February 3, 1955—9 p.m.

3156. Re Embtels 3095 repeated Paris 863[2] and 3067 repeated Paris 860.[3] Hoa Hao reaction to reports Trinh Minh The has rallied to government has been strong. Hoa Hao representatives of Gen. Soai returned Saigon February 1 from Cao Dai ceremonies at Tay Ninh deeply disturbed by reports they had heard. These representatives came to us same evening saying they had learned one of conditions for Trinh Minh The's rallying had been agreement of Vietnamese Government turn him loose with government support against Hoa Hao dissident Ba Cut. (This of course does not coincide with information government has given us concerning conditions under which Trinh Minh The rallied.) Taken in connection with information they had gained that government was that very day beginning mount offensive against Ba Cut, as well as Hoa Hao basic suspicion Diem's ultimate intention is to crush sects, they believe reports to be true. Purpose their call was to urge Embassy intercession with government to prevent this action. They warned that if Trinh Minh The's forces were used against Ba Cut other Hoa Hao forces would defect and join Ba Cut against government and The.

We are informed Ba Cut ambushed nationalist forces in Long My area January 30/31 killing three officers and wounding 30 men. Defense Minister Minh has informed General O'Daniel he intends mount offensive against Ba Cut and is reported to have said, following rallying of Trinh Minh The, that this event would now free his hands to do so.

Fishel tells us that government actually intends use Trinh Minh The's forces man four National Army posts Lai Vung area, thus freeing National Army troops for participation Ca Mau operation.[4] Lai

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[1] Source: Department of State, Central Files, 751G.00/2–355. Secret. Repeated for information to Paris.

[2] In this telegram, January 31, Kidder reported that on January 30 Diem, accompanied by Defense Minister Minh and one other officer, flew by helicopter to the Tay Ninh area for a secret meeting with Trinh Minh The, the Cao Dai guerrilla leader. At that meeting The agreed to rally his forces to the National Government. Diem flew back to Saigon and immediately announced the news. (*Ibid.*, 751G.00/1–3155)

[3] Fishel informed Kidder, who in turn reported in this telegram, January 30, to the Department the terms on which The would rally to the National Government: The would become a general in the National Army; 2,500 of The's men were to be integrated into the National Army and not assigned to newly-liberated areas; the remaining 1,500 of The's forces were to be employed as unarmed Social Action cadres and sent into newly-liberated areas (with a promise from The that they would not preach Cao Dai doctrine there). (*Ibid.*, 751G.00/1–3055)

[4] The Camau Operation was the first pacification campaign of the South Vietnamese Government in 1955. Camau Peninsula, at the southern tip of Vietnam, was one of

Continued

Vung is in vicinity Sadec in Hoa Hao Gen. Soai's area. In our view use Trinh Minh The forces this area, even for garrison purposes, could be expected stir up hornets nest. Fishel says government aware of this but "has no other alternative troops available".

Assistant Army Attaché who has recently returned from trip in central Vietnam and plateau area expresses his opinion that if Trinh Minh The forces used with government support National Army forces he has visited who are violently anti-Cao Dai, may very well revolt.

We are deeply disturbed by possibility government may actually carry out reported proposal use Trinh Minh The's forces in Hoa Hao area. This could scarcely be better calculated provoke violent armed reaction from all Hoa Haos, no matter what persuasion, with added danger, as noted above, that certain National Army forces would react strongly. We intend to explore with Defense Minister Minh just what his intentions are this regard.

Kidder

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the regroupment zones provided for the Viet Minh under the Geneva Accords. On February 8 the Viet Minh were to be out of the area and on that day the Vietnamese National Army moved in to take control. For an account of the operation, see Lansdale, *In the Midst of Wars*, pp. 228–238.

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33. Telegram From the Chargé in Vietnam (Kidder) to the Department of State[1]

Saigon, February 3, 1955—8 p.m.

3162. General O'Daniel on Collins' instructions discussed with Defense Minister Minh question of National Guard of 65 thousand as apparently envisaged by Diem. Minh informed O'Daniel he believes proper solution a National Gendarmérie of approximately ten thousand, that provinces should provide own police out of provincial budgets, but that as President has his own definite ideas on subject, it would be better approach him directly.

O'Daniel and I spent two hours discussing matter with Diem today. Diem opened conversation by showing us breakdown of proposed provincial security forces totalling 47,650, of which in round numbers 16 thousand are Provincial Auxiliary Guard in South Vietnam, 13 thousand local provincial forces in Central Vietnam, 12 thousand militia from North evacuated to South, and 6300 northern militia still in Haiphong enclave. These would not, he said, be a unified National Guard but local security forces.

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[1] Source: Department of State, Central Files, 751G.5–MSP/2–355. Secret; Priority. Repeated for information to Paris.

We made clear to Diem Collins position as already expressed to Diem immediately prior Collins departure that US cannot support a militia force of size envisaged and at same time support National Army even with reduction in numbers as planned.

Diem went into great detail to justify what he states is necessity retain provincial troops under direct command of provincial chiefs. He argued National Army is not yet competent take over special role of militia who have advantage of proper type training, of being directly responsible Chief of Province, and of knowledge of local conditions. Chief of Province would be able to use army forces only after getting special permission through military channels and army not numerically large enough to secure the vast areas of Central and South Vietnam. As example, President pointed to difficulty with Hoa Hao dissident Ba Cut and said it necessary, if National Army is to surround and defeat Ba Cut forces, remove troops from many surrounding areas which would be left without protection were it not for provincial militia. Provincial militia enable local authorities act with greater dispatch and provide method Chief of Province keep localized banditry under control. He alleges provincial chiefs are unanimous in support his point of view. (*Comment:* They doubtless subjecting him to strong pressure.)

President's convictions are very strong on this subject. In reply suggestion that during period between now and September when army remains at level of 150 thousand he might be able progressively reduce local militia, he said that army still untested and untrained, that, with regard to militia from North, he is under moral obligation keep his promise, given them as inducement to leave North, that they would be retained on payroll. Also militia has civil status which makes it impossible demobilize them in same way as military. He maintains it not feasible change status of military so that provincial chiefs would have direct authority over army forces in their areas. He elaborated on background of militia forces pointing out that they are of long historical tradition and that, contrary to propaganda spread by General Hinh, he had no intention of creating force which would oppose army. His intention was to codify all previous militia systems and build up organization based on already established provincial forces. Such force could in no way threaten a strong centralized National Army, although to be effective it would require rifles as well as side-arms.

I am convinced Diem intends remain adamant on this subject, and, if it not possible reach any reasonable compromise such as progressive reduction which would satisfy him, it will take drastic pressure on our part to make him change his concept and base his pacification and local security program entirely on territorial battalions as proposed in present organization plans for National Army.

Kidder

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34. Telegram From the Chargé in Vietnam (Kidder) to the Department of State[1]

Saigon, February 7, 1955—7 p.m.

3253. On eve Collins' return, there is general impression atmosphere Free Vietnam has begun to lighten. There is a quickening of almost reluctant optimism in spite of heavy and dark clouds yet remaining. While country is far from reaching hypothetical line where its security and future may be considered even fairly safely assured, it is believed low point has been reached and trend, at least for moment, has begun to turn upward. Upward is relative term in this case, but that is direction.

It is difficult to realize weight of various factors which have contributed to this state affairs and following is in no sense attempt canvass all major elements of this particularly complex picture. Principal point to be emphasized is period of deep depression has been replaced by period of guarded optimism. This impression has been commented on to me by numerous observers including, for example, Director of Hong Kong–Shanghai Bank on visit from Hong Kong; Director of Shell Oil Company on visit from London; Harriot, editorial writer of *Sydney Morning Herald*, and several influential French businessmen.

Certain points may, however, be highlighted:

Collins' mission and constancy of US support of Diem government have played critical role. National Army and Government are in relative harmony in most areas, although potential causes for renewed trouble remain. Diem has given evidence of unexpected personal popularity, particularly in center but also in south. Here we must guard against using our own propaganda efforts as measure of this new popularity. Diem's new self-confidence, however, has helped create more optimistic atmosphere as have evidences that at least some dissident groups believe it politic get on Diem bandwagon. In spite of tragedy for Vietnam of Geneva Accords, Diem has been able establish fact of full sovereignty Free Vietnam and population is becoming increasingly convinced of this independence. Diem's well-known anti-French sentiments, his honesty and stubbornness of purpose have proved valuable adjuncts.

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[1] Source: Department of State, Central Files, 751G.00/2–755. Secret. Repeated for information to Paris, Vientiane, Bangkok, Phnom Penh, Hong Kong, and Manila.

Against above must be balanced weaknesses of Diem as leader, which have often been reported by this Embassy and extremely serious potential dangers from vast refugee resettlement program, from Viet Minh infiltration and subversion, from increasingly stormy activities of sects, and from machinations of politicians supporting persons such as former President Huu. A little progress has proved to be a heady draught for Diem and he is showing tendency with new-found self-confidence, a confidence not entirely shared by all, to take on all comers at once. This is cause serious concern for his well-wishers and very possibly may drive together widely disparate elements opposed to him. Given stability, wisdom and decisiveness, however, he now has better atmosphere in which attempt carry forward constructive programs.

Kidder

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35. Telegram From the Chargé in Vietnam (Kidder) to the Department of State[1]

Saigon, February 8, 1955—3 p.m.

3267. In his current troubles with Hoa Hao, General Soai, Diem now needs some money and needs it fast. The amount is 5 million piastres which Diem undertakes to repay in future.

Problem is this: Regular government payments to Cao Dai and Hoa Hao are now overdue. Each payment is approximately 5 million piastres reduced by Diem from formerly higher figures. Both groups are pressing Diem with increasing urgency. Diem can't withdraw funds from National Treasury to pay one without paying other, US transaction would be clearly recorded on books.

In highly oriental fashion, Diem would like borrow 5 million piastres which he could slip under table to Cao Dai, keeping him [*them*?] happy, while allowing Soai to whistle for his money.

Diem has good reason currently not wish provide Soai with funds inasmuch as he suspects, with good reason we believe, that Soai will probably use funds deriving from government in his current activities against government, probably including passing on sum of money to Ba Cut who is on verge of open warfare with National Army.

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[1] Source: Department of State, Central Files, 751G.00/2–855. Secret. Repeated for information to Paris.

We are not very resourceful at this moment in thinking up where Diem can dig up 5 million piastres, half of which he needs by weekend February 12 and remainder by weekend February 19. We have assured Diem that US Government does not normally do business this fashion. His reply is that this is not normal situation.

We will discuss this problem with Ambassador Collins on his return.[2]

Kidder

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[2] See Document 41.

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36. Telegram From the Chargé in France (Achilles) to the Department of State[1]

Paris, February 9, 1955—8 p.m.

3351. Re Deptel 2781, February 7.[2] While it is too soon usefully to appraise Indochina policy of next French Government,[3] long-range factors remain relatively unchanged. These factors were discussed at length Section II Embtel 2080, November 15, 1954,[4] particularly that Mendes approach Indochina has broader base and deeper roots than Mendes, his entourage or government. While there is slight possibility that recent improvements in South Vietnam may produce slightly more favorable atmosphere and while passage of time since Geneva may be producing slightly less all black and all white view of elections in relation to Geneva Agreement, paramount objective of French Indochina policy under any government will certainly be to avoid any risk of reopening hostilities. We also believe any successor government likely be more rather than less sensitive regarding US role in Vietnam and Cambodia. Nor do we anticipate any early lessening of French efforts to maintain its economic interests and cultural influence in North Vietnam without reference to personal factors (Sainteny).

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[1] Source: Department of State, Central Files, 751G.00/2–955. Secret.

[2] In this telegram, the Department requested the Embassy's appraisal of the possibilities for change in French Indochina policy by the successor government to that of Mendès-France, which was on the point of dissolution. (*Ibid.*, 751.00/2–755)

[3] On February 23 a new French Government was formed with Edgar Faure, Radical Socialist and former Foreign Minister under Mendès-France, as President of the Council and Antoine Pinay, Independent Republican, as Foreign Minister.

[4] For text, see *Foreign Relations*, 1952–1954, vol. XIII, Part 2, p. 2246.

We will reappraise our views as soon as possible after Mendes' successor obtains Parliamentary approval but we believe it would be unrealistic to anticipate any substantial changes. Most important single means of influencing any successor government toward our objectives will be to demonstrate with maximum clarity that our intentions are not bellicose and that over long-term, we are placing greater reliance upon developing indigenous Asiatic resistance to Communism than upon western armed force to prevent further Communist expansion. Next most important will be to convince French that US not seeking replace France as mentor and protector of Associated States but that on contrary, we fully recognize French interest in Indochina and expect France to share with us responsibility of achieving our major joint objectives.

Achilles

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37. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, February 10, 1955—9 p.m.

3328. 1. Following my return Saigon 9th[2] I called on Ely and Diem. Ely told me he had received from Paris texts of letters he would address to Diem on organization Vietnamese armed forces and to me, on full responsibility of MAAG Chief for training of Vietnamese forces, as well as text of joint recommendation he and I would make to Diem on organization of Vietnamese armed forces. He said he would make his texts available to me at once (which he subsequently did), and that as soon as we had compared versions approved by Paris and Washington, we could have documents prepared in final form for signature. This should be accomplished 10th or 11th.

2. I showed Ely Washington drafts of proposed exchange of notes with Vietnam on direct forces support, proposed exchange of notes with Vietnam on return of military equipment, and draft letter

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[1] Source: Department of State, Central Files, 751G.5-MSP/2-1055. Secret. Repeated for information to Paris and Phnom Penh.

[2] Diem in a letter to Eisenhower, January 23, specifically asked that Collins return to Vietnam and continue his mission "through the spring". Text of the letter is in telegram 2927 from Saigon, January 25. (*Ibid.*, 751G.13/1-2555) Eisenhower responded in a letter of February 3, that he was assigning Collins to Vietnam for "about two months". (*Ibid.*, FE/SEA Files: Lot 58 D 266, Miscellaneous Memos)

from me to Diem stating U.S. intent to support military program for calendar year 1955 and economic programs for U.S. fiscal year 1955.[3] Ely sought and received assurance that these notes had no effect of modifying arrangements made between Ely and me; otherwise he offered no comment.

3. Ely said he was concerned that Diem govt was taking strong line against ICC and inspiring propaganda effort against it. Ely says ICC has been not unuseful and fears that if govt openly blocks its work in South either Poles or Canadians may withdraw, former to add to confusion and increase difficulties of non-Communist side, and latter feeling they can no longer play useful part here. Diem govt has strongly opposed ICC proposal to accept Colonel Ha Van Lau as Viet Minh liaison when Commission has next session in Saigon. Ely hopes both Diem and ICC will agree to substitute for Ha Van Lau. I told Ely I agreed government would be ill advised openly oppose ICC, and would so inform Diem.

4. In reply to my query about evacuation of Charbonnages equipment, Ely said one large mechanical tool was scheduled for shipment that day and that arrangements were being made to evacuate remaining equipment directly from Charbonnages mines rather than from port. He reiterated his earlier statement that he hopes equipment can be moved out. I told him of interest in this matter I had found in Washington and of importance U.S. Govt attaches to its removal.

5. Ely brought up subject of Cambodia, asking if my authority extended to that country. When I replied in negative, Ely said he would like to inform me of problem on personal basis and ask my help. He said French intent and desire in Cambodia procure arrangement with respect to armed forces training analogous to that obtaining in Vietnam with difference that French would have primary responsibility. In defense of this argument, he said French are making financial effort in Cambodia relatively greater than that they are making in Vietnam. He believed agreement in principle had been reached on this matter when he and Lachambre were in Washington last September; at least French claim had not been contradicted. Ely said French do not wish McClintock to urge Cambodians to ask U.S. to take over training responsibility. Ely said he had had great trouble with French Govt over this issue and hoped that I could help him. I replied only that I had no responsibility for Cambodia.

6. Ely at no time during conversation suggested that fall of Mendes govt had altered his terms of reference or should be cause for delay in implementing our several agreements. He made no mention whatever of reevaluation situation and prospects of Diem govt.

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[3] See footnote 3, Document 31.

7. Conversation with Diem hinged entirely on take-over of Camau peninsula from Viet Minh and current status of sect problem. Evacuation of Camau has gone well and he expects visit city early next week. Present effort of govt is directed against Ba Cut and to lesser extent against Binh Xuyen. Diem has told General Soai that when Prime Minister next goes abroad he wishes take Soai and wife with him. Diem told me he believed with Soai absent Hoa Hao would disintegrate, partly as result of internal squabbles; nevertheless General Soai was flattered by offer and indicated he would accept.

8. Diem said Binh Xuyen had been moving "shock troops" into police posts about periphery of Saigon, with apparent intent take action against govt. Diem told General Gambiez he wishes military control of metropolitan region transferred from French to National Army by fifteenth so that army can take necessary measures against Binh Xuyen. Military control of Hoa Hao region is now being passed to National Army without incident following stern threat to reduce General Soai's headquarters by artillery fire if Hoa Hao forces resisted National Army take-over.

[Collins]

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38. Editorial Note

On February 11, Radford sent a memorandum from the Joint Chiefs of Staff to the Secretary of Defense recommending concepts and broad outline plans for the use of United States military power under the Manila Pact in the event of Communist aggression in Southeast Asia. For the text, see *United States–Vietnam Relations, 1945–1967,* Book 10, pages 885–887.

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39. Telegram From the Chargé in France (Achilles) to the Department of State[1]

Paris, February 11, 1955—8 p.m.

3397. Rough translation follows of letter dated Feb 8 (original by pouch) from Edgar Faure to Secretary which handed to us by FonOff this afternoon:

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[1] Source: Department of State, Central Files, 751G.5/2–1155. Secret. Repeated for information to Saigon.

"By letter dated Jan 24, 1955[2] you informed my predecessor of your suggestions for resolving the difficulties which had arisen with respect to our agreement on training of Vietnamese Army.

I am happy to state that following your proposal, our services have been able to settle the question rapidly. Thanks to the two letters delivery of which you have suggested and to joint recommendation which will be submitted to Vietnamese Govt,[3] there will no longer remain in fact any divergence of views between us. Gen Ely has already received instructions to execute our arrangement in agreement with General Collins.

I know also that General Collins has renewed to General Ely assurances Dept has already given our Embassy, concerning conformity of training program with provisions of the agreement on cessation of hostilities in Vietnam. I know, more particularly, that number of American military personnel present at time of cease-fire will not be exceeded, that introduction of instructors and advisors will be carried out progressively and discreetly and that continuing consultations on this subject will be carried on between American and French representatives.

I thank you for personal part you have taken in concluding this arrangement which is fully in conformity with our common objectives.

Accept, etc."

FonOff said letter had been prepared for Mendes but signed by Faure since he now holding post FonMin.

Achilles

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[2] See Document 26.

[3] Texts in telegram 3343, *infra*.

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40. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, February 11, 1955—7 p.m.

3343. References: A. Paris telegram 2870 to Department, repeated Saigon 443.[2] B. Department telegram 2726 to Paris, repeated Saigon 3232.[3]

1. Three documents designed to replace Ely–Collins Minute of Understanding on Training of Vietnamese Forces dated 13 December

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[1] Source: Department of State, Central Files, 751G.5/2–1155. Confidential. Repeated for information to Paris, Phnom Penh, and Vientiane and passed to the Department of Defense and CINCPAC.

[2] Document 10.

[3] Document 30.

1954 were signed and delivered 11 February: (a) Ely letter to Diem granting complete autonomy of Vietnamese forces by 1 July 1955; (b) Ely letter to me placing French advisers and instructor with Vietnamese forces under direction of Chief MAAG; and (c) joint recommendation of Ely and me to Diem relative to organization and training of Vietnamese forces. Final texts quoted below.

2. Ely letter to Diem: "I have the honor to bring to Your Excellency's attention that the French Government has instructed me to inform you that the autonomy of Vietnamese armed forces will be complete on 1 July 1955, that is to say all units of these forces (cette armee) will be staffed and commanded by Vietnamese officers". *Comment:* We specifically raised question about meaning of words "cette armee" and were assured by Ely's assistant that expression in French clearly means "armed forces" referred to earlier in sentence, and not just army.

3. Ely letter to me: "My government has instructed me to bring to your attention its agreement with the following arrangements: All American and French training and advisory personnel assigned or attached to the Vietnamese armed forces will be under the direction of the Chief MAAG acting under the overall (haute) authority of the Commander in Chief of the French Union forces in Vietnam. As the efficiency of the Vietnamese armed forces increases, the number of American and French advisers and trainers will be progressively decreased".

4. Joint Ely–Collins recommendation to Diem classified confidential:

"Joint Recommendation of French and American Governments Relative to the Organization and Training of Autonomous Vietnamese Armed Forces

1. The undersigned consider as desirable the adoption by the Government of Viet-Nam of the provisions of Annex 'A' attached hereto relative to the initial structure of Vietnamese forces as they should be organized on 31 December 1955.

2. This force structure would be attained by reduction of the strength of Vietnamese armed forces based, as far as possible, on discharge of the least effective personnel, until the structure defined in Annex 'A' is achieved. Some adjustments could be made in the rate of reduction in the light of the political and economic situation in Viet-Nam.

3. The undersigned consider that the direction of a program in the fields of organization and training of autonomous Vietnamese armed forces in order to be effective should be entrusted to a single authority; and that, as far as they are concerned, full responsibility for the assistance to be accorded to the Government of Viet-Nam in the organization and training of these armed forces should be assumed by the Chief of the United States MAAG on 12 February 1955 under the overall authority of the Commander in Chief.

4. American personnel would then be maintained concurrently with French personnel as advisers and instructors of Vietnamese armed forces. As the effectiveness of these armed forces increases, the number of French and American advisers and instructors would be progressively reduced.

5. The undersigned agree that the above provisions ought to be applied in conformity with existing agreements.

6. The present recommendation will be valid subject to approval by the United States Government of a program of direct aid to the State of Viet-Nam."

Comment:

a) Annex "A" referred to in paragraph 1 contains 100,000 man force structure outlined in Part II, Embassy telegram 2676.

b) Department will note that parenthetical phrase included in paragraph 6 of text as cited in Reference A is omitted. Paragraph 6 formerly began: "The present recommendation (which will require the approval of the interested governments) etc". Ely and I agreed to delete parenthetical phrase since U.S. and French Governments have already approved joint recommendation as title of paper states, and Vietnamese Government has formally proposed identical force structure and has requested that U.S. assume responsibility for advising and training its forces. Phrase therefore serves no useful purpose, and could be interpreted as leaving joint recommendation contingent on further U.S. and French Governmental approval.

5. Diem is scheduled hold press conference 12th at which he will announce prospective autonomy of Vietnamese armed forces and MAAG take-over of full training responsibility.

[Collins]

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41. Memorandum From the Special Assistant at the Embassy in Vietnam (McCarthy) to the Special Representative in Vietnam (Collins)[1]

Saigon, 12 February 1955.

SUBJECT

. . . Requirements of the Viet Namese Government

REF

Memorandum, same subject, dated 30 January 1955[2]

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[1] Source: Department of State, Saigon Embassy Files: Lot 61 F 22. Top Secret.

[2] Not found.

1. The following information and comments are intended to supplement the information contained in reference.

2. The Viet Namese Government estimates that a sum of five million piasters will be required monthly for approximately the next five or six months for payments to the leaders of the Cao Dai and Hoa Hao confessional forces.[3] Leaders of these forces are pressing the Government for the funds necessary to maintain their forces which are outside the National Army. Since the Government does not wish to integrate these forces into the National Army and believes that some means of support must be provided for them temporarily to prevent their turning to banditry. . . . The number of payments that will be necessary is undetermined and will depend on the progress made by the Government in developing the capacity of the National Army to counter any threats of rebellion by the leaders of the confessional forces and upon the determination of some solution for the employment of their troops. The Binh Xuyen are believed not to be included in the Government's plans in this regard. The most recent information available to this office is that Binh Xuyen General Bay Vien has not approached the President personally to request payment for his forces.

3. The amounts and nature of future payments to Emperor Bao Dai also remain to be negotiated. However, the Government has the firm intention to provide for the support of the royal family on a legal basis by the Viet Namese Government. The best estimate made available to this office is that this will entail payments of about five million piasters monthly to Bao Dai beginning in the near future. The Government probably will settle with Bao Dai on payment of a fixed sum in compensation for shutting off his previous sources of income in the Fall of 1954 and will try to secure his approval for smaller monthly payments in the future.

. . . .

Philip B.K. Potter[4]
For the Special Assistant

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[3] See Document 35.

[4] The source text is a file copy which bears this typed signature.

42. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, February 17, 1955—4 p.m.

3441. Reference Tousfo 1258.[2]

1. Together with representatives Embassy, . . . and USOM I have given thought to problem of what U.S. policy should be towards refugees' continuing escape from Viet Minh area north of 17th parallel following termination of period mentioned Article 14d,[3] Geneva Accords, during which refugees should be permitted and assisted move from one zone to another. We start from the belief that some flow of refugees will continue come south across 17th parallel from Viet Minh territory following May expiration 300-day period. Driven by desire for freedom, Viet Minh oppression, economic stringency, or any other of a multitude of reasons refugees will continue to come south. Question is: How should they be received and cared for?

2. Pertinent factors influencing decision are:

a. General vagueness throughout Geneva Accords;
b. Sensitivity of French who wish avoid all charges they are violating Accords; and
c. Undesirability create situation where it could be charged U.S. is actively violating Accords.

3. We believe U.S. should not appear openly involved in program to be set up. Usual type U.S. escapee program with emphasis on "American impact" form of relief, care, and transfer of escapees is unsuitable to this situation.

4. We, therefore, recommend that:

a. We should assist Vietnamese in developing escapee reception program to be in operation by May 19, 1955;
b. This program should be supported by U.S. funds, . . . ;
c. This . . . and operation should be staffed and carried out by Vietnamese Government.

[Collins]

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[1] Source: Department of State, Central Files, 751G.00/2–1755. Top Secret.

[2] In this telegram, February 8, USOM reported on tentative plans to continue escape operations of Vietnamese from the north after the May withdrawal from Haiphong under terms of the Geneva Accords. (Washington National Records Center, FOA Message Files: FRC 56 A 632, Box 98, Vietnam)

[3] Article 14, section d, of the Agreement on the Cessation of Hostilities in Vietnam, July 20, 1954, provided for free movement of civilians from either North or South Vietnam until the 300-day time limit for regrouping of troops of the People's Army of Vietnam or forces of the French Union expired. For complete text, see *Foreign Relations*, 1952–1954, vol. xvi, p. 1505.

43. Telegram From the Chargé in France (Achilles) to the Department of State[1]

Paris, February 16, 1955—7 p.m.

3452. Reference Department telegram 2863.[2] US preliminary views Department telegram 2846[3] outlined to Roux (who leaving 19th for Bangkok) at Foreign Office as instructed reference telegram. Minister Economic going over views Department telegram 2846 with Wormser this afternoon.

Roux said they did not feel Department sufficiently informed concerning French proposal and that as consequence detailed exposition being sent Couve today with instructions go over with Department. Roux expressed hope Department would reserve judgement until receipt fuller expression French views this regard. Roux underlined tentative nature French proposal and said government had no idea as yet whether Viet Minh prepared accept this or other proposal. In hour-long conversation, Roux made abundantly clear that maintenance French economic and cultural presence North Vietnam not just Sainteny idea but clearly established French Government position. General line reasoning advanced by Roux in support French position paralleled our analysis set forth Embtel 3394.[4] French Government, Roux said, intends protect and maintain to extent possible French interests in north. In their view, he said, nothing would be gained if French withdrew, since Chinese or other Communist technicians would be brought in to replace French and carry on operation French industrial installations. On contrary, he said, it in interest free world French remain, thereby lessening Ho's dependence on Communist orbit. Roux emphasized that Viet Minh has made clear it desires French carry on in north in contrast attitude Diem Government towards French in south and that French believe Viet Minh prepared accept French technical guidance. Roux said French Government did not see contradiction we see in French approach toward North Vietnam on one hand and south on other. He emphasized maintenance French economic and cultural presence north had no political objective such as French assistance given South Vietnamese Government which designed support latter government and help it win elections. Roux pointed out French position towards two zones Vietnam not inconsistent with Geneva settlement.

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[1] Source: Department of State, Central Files, 751G.00/2–1655. Secret. Repeated for information to Saigon and Hanoi.

[2] In this telegram, February 14, the Department instructed the Embassy to make known to the French its preliminary views (as set forth in telegram 2846, February 11, cited in footnote 3 below) on proposed French Government participation with the North Vietnamese in mixed companies (such as coalmining, shipping, shipbuilding) in which the Vietnamese would hold the majority share and the former French interests a minority one while providing managerial and technical functions. (*Ibid.*, 751G.00/2–1455)

[3] In this telegram, February 11, the Department set forth its preliminary view on mixed companies as follows: such a plan contradicted professed French support for South Vietnam and joint U.S.-French policies there; it represented wishful thinking as expropriation would come after the 1956 elections; it would adversely affect French interests in the rest of Indochina, among other allies, and with the U.S. public and Congress; and finally, it would hinder South Vietnam's chances in the 1956 elections. (*Ibid.*, 451G.519/2–755)

[4] Not found in Department of State files.

Roux insisted that basis for compromise could be found once US gained full appreciation French position. In specific reference points contained paragraph 4[5] Department telegram 2846, Roux expressed hope we would not consider such measures until matter fully explored. With respect reference Ely in paragraph 1 Department telegram 2846, Roux made clear in polite way that French approach North Vietnam fell outside General Ely's jurisdiction.

We underlined at length to Roux that we considered maintenance French economic interests and cultural influences in north in fundamental contradiction free world effort support South Vietnam, and that problem facing us extended beyond scope terms any formula that might be worked out with Viet Minh to continue French participation industrial establishments in north.

Comment: We feel conversation with Roux confirmed lines our 3394 and particularly our conclusions contained paragraph 4 that telegram. We more than ever convinced French determined maintain French interests in north and that we must approach immediate problem French proposal as only one aspect fundamental problem whether we prepared accept basic lines French approach North Vietnam. We continue believe, therefore, that problem involved might be raised most effectively with French at next ministerial level meeting IC. Re final paragraph Department telegram 2846, we have concluded on basis our contacts with French officials and parliamentarians that French policy maintain French economic and cultural position North Vietnam has broad support extending beyond Mendes, his entourage, his government, and that Sainteny only implementing, not making this policy.

Achilles

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[5] In this paragraph, the Embassy was instructed to inform the French that the Department did not believe that these mixed companies would qualify as "western installations" and thus be exempt from restrictions of the Paris Consultative Group (of which France was a member) set up to control trade of strategic materials with Communist countries.

44. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, February 23, 1955—7 p.m.

3537. 1. For some time I have wanted to discuss privately with Diem some problems which we have not yet explored. Sunday evening, 20 February 1955, he came alone to Embassy residence at my invitation. As cover for visit, I arranged informal supper with members my mission, who came somewhat later than President.

2. There were three principal subjects which I wished to discuss with Diem.

a. Ultimate form of government which he visualized for Vietnam.
b. Possible reaction of Bao Dai in event that a republic should be recommended by constituent assembly.
c. Whether Vietnamese Government planned to participate in electoral discussions commencing July, 1955 under terms of Geneva Accord.

3. It was exceedingly difficult, as usual, to hold President to discussion these three points, which I took up one at a time. As usual, his tendency was to wander off into problems involving sects, Dai Viet Party, and Army. However, I was able to glean his views as follows:

4. A. The President feels that family of Bao Dai is so discredited with people of Vietnam that neither Bao Dai nor any member of family would be accepted as constitutional monarch. He believes that the form of government should be a republic along the lines of either United States or Turkey. It was not possible to pin down any details in this regard.

B. In arriving at this conclusion, the President had indicated, as he has done before, his instinctive resistance to any political views contrary to his own. Perhaps anticipating that I would speak of possible position for Dr. Quat in his government, he introduced alleged machinations of Dai Viet Party, of which Quat is member. He said that there are two branches of this party today. The old Dai Viets, and the new, or younger, branch of party. He said Dai Viets were in opposition to government and had tentacles within the sects, particularly the Cao Dai, and within Army. He charged that Dai Viets favored a more vigorous anti-French attitude and a more direct anti-

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[1] Source: Department of State, Central Files, 751G.02/2–2355. Top Secret; Priority; Limit Distribution. Repeated to Paris and Bangkok through Kidder to Dulles, who was in Bangkok for the first session of SEACDT (later to become SEATO) Council meetings, February 23–25.

Communist program. According to Diem, this latter program would be designed primarily for others personal aggrandizement.

C. I suggested to President that it would be well for him to accommodate himself to opposition parties since, when a constituent assembly was formed, there were bound to be such parties.

D. I asked him how many parties he thought there would be in constituent assembly. He said there would be many. Probably each sect would have its own party, and there would be others.

E. I asked if he had party of his own. He said no, and that he had no intention of forming one. I pointed out that his opponents have said that he is forming a Catholic Party. This he vigorously denied, stating that his real source of strength came from fact that he was not restricted to any one party, but had a broad appeal to all of the common people. He said Dai Viets and sects, lacking real basis for opposition to government, were seizing on fact both he and I are Catholics to raise religious issue.

F. I pointed out to him how difficult it was to manage a republic with many parties in assembly, as is the case in France. He agreed, but reiterated opposition to constitutional monarchy since he felt Bao Dai and family would not be accepted again by the people, particularly since Bao Dai had abdicated in 1945. I explored possibility of Bao Long (son of Bao Dai) heading monarchy, but Diem again stated that Bao Dai's immediate family was finished in Vietnam.

G. I asked President when he thought constitutional assembly should be formed. He said it could not be delayed much longer than six months. The provisional assembly would meet in a month or six weeks. Sects would press at once for election of constituent assembly. They felt—and he tacitly accepted truth of this—that present government under Diem would more and more reduce the special privileges of sects. Sects felt that through representation in constituent assembly they would be able to counter this tendency. Diem added that many intellectuals would join in pressure for an early election of constituent assembly.

[Collins]

45. Telegram From the Special Representative in Vietnam (Collins) to the Embassy in France[1]

Saigon, February 25, 1955—2 p.m.

976. Reference: Department telegram 2956 to Paris, repeated Saigon 3607.[2]

1. If President's letter to Bao Dai has not yet been delivered, I request that Embassy officer who makes delivery inform Chief of State I am concerned with recent activities of Binh Xuyen who control police and Sûreté.

2. I am informed Binh Xuyen are intriguing with Hoa Hao to hamper efforts of government to consolidate its position. Both are intent on maintaining their special privileges and armies at expense of nation as a whole. By concerting their efforts and utilizing the police power, Binh Xuyen and Hoa Hao could for example block rice shipments into Saigon. At present Cao Dai appear offer less threat to government than other sects.

3. I believe it would be highly useful if Bao Dai saw fit to revoke the decree by which he assigned control of the police and Sûreté last year to the Binh Xuyen. Any such move should of course be coordinated in advance with Prime Minister Diem.

4. I am making this suggestion on my own initiative and not at request of Diem, although I am confident it is in accord with Prime Minister's desires.

5. Request Embassy Paris inform me if it is too late to combine delivery this message with President's letter.[3]

[Collins]

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[1] Source: Department of State, Central Files, 751G.00/2–2555. Secret; Limit Distribution. Repeated for information to the Department of State as 3564, which is the source text.

[2] This telegram, February 21, contained the text of a letter, dated February 19, from Eisenhower to Bao Dai. In the letter the President noted the "distinct progress" being made in Vietnam by Diem and his government, stressed the need for carrying out announced programs of land reform and military reorganization, and expressed his concurrence in General Collins' recommendation to continue and expand support for Vietnam. The last paragraph reads: "It is encouraging for me to know that Prime Minister Diem is making substantial progress. The United States Government intends to continue its support of his Government." (*Ibid.*, 751G.00/2–2155)

For the full text of this letter, see *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1955*, pp. 315–316.

[3] In telegram 3617 from Paris, February 26, the Embassy reported it was sending a representative to Cannes to deliver Eisenhower's letter to Bao Dai and would also deliver Collins' message. (Department of State, Central Files, 751G.00/2–2655) The Embassy did not make this decision, however, until it received telegram 2995 to Paris, February 25, in response to a telephone call to Washington. In this message, the Department raised no objection to delivery of the message as long as it was oral and carefully phrased and identified so as not to seem a codicil to Eisenhower's letter. (*Ibid.*, 751G.00/2–2555)

46. Memorandum of a Conversation, Saigon, February 28, 1955[1]

PRESENT

General Paul Ely, Ambassador Jean Daridan, Ambassador Henri Bonnet,[2] Ambassador Georges Picot, Mr. Jacques Roux, Mr. Gabriel Van Laethem.

Admiral Felix B. Stump, General John W. O'Daniel, Mr. Leland Barrows, The Hon. H. Struve Hensel, Ambassador J.L. Collins, Colonel Kelly, Colonel Farnsworth, Mr. Randolph A. Kidder.

SUBJECT

Status of Diem Government

Following luncheon on February 28 given in honor of Mr. Hensel, the Ambassador discussed with his guests his views on the progress made by the Diem Government and the substantial improvement in the situation during the past month to six weeks. He commented on the close French-American cooperation which had resulted in the reform plans of the Diem Government. These plans however, he said, had yet to be translated from paper into action. Referring to the 7-point French-American program in support of the Diem Government, he admitted sorrowfully that we had failed to make progress in one particular field—the broadening of the Diem Government. He mentioned the promise of Diem to take Quat into the Ministry of the Interior but the subsequent change of mind by Diem. He said that Diem advances all sorts of reasons for failing to take men like Quat into the Government, and stated his belief that the real reason is Diem's fear of letting any strong man who might endanger his, Diem's position into the Government.

In discussing broadening the Diem Government, the Ambassador said he found it entirely natural that Diem is unwilling to take into his Government any persons who also hold French nationality and who have not been willing to renounce it. To take such people into the Government would be politically unacceptable to the Nationalist in Vietnam.

General Ely and Ambassador Bonnet said that they agreed in general with what the Ambassador had said but dissented only with regard to the possibility of taking into the Government persons who also hold French nationality. They believe that that is not an insurmountable problem and that the Vietnamese should take the example of India and use able men who have cooperated with former regimes—the British in India or the French in Indochina.

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[1] Source: Collins Papers, Vietnam File, Series VII, K. Secret. No drafting officer is indicated, and the source text is marked "draft"; it is, however, initialed by Collins.

[2] French Ambassador to the United States to early 1955.

47. Memorandum From the Deputy Assistant Secretary of State for Far Eastern Affairs (Sebald) to the Acting Secretary of State[1]

Washington, March 1, 1955.

SUBJECT

Status of information on Viet Minh truce violations

Viet Minh violations of the Geneva Accords fall into the two fields of the introduction of arms and of restraining persons from freely moving to the South. The latter has now been largely remedied with comparatively few complaints registered. The introduction of arms, as charged by the French, has been declared by the ICC to no longer be taking place.

The following is an extract from IAC paper D–93/2,[2] regarding violations through the introduction of arms:

"Reliable intelligence reports received through French sources clearly indicate that a considerable amount of Chinese war material has been moved into North Viet-Nam from Communist China since the Armistice. Virtually all of this movement occurred via the uninspected points of Cao Bang and Dong Dang on the Sino-Viet-Nam border. Illicit receipt of war material reached a peak in later July and August and continued at a reduced rate at least through mid-October. Shipments of non-prohibited material, such as gasoline and quartermaster supplies, are continuing at a relatively high level. Since the entry into force of the Agreement, the Viet Minh are known to have received illegally more than 150 pieces of field and anti-aircraft artillery, more than 500 mortars, 9,000 automatic weapons, and 500 recoilless weapons, in addition to substantial quantities of ammunition of all types and more than 400 military vehicles.

"It is difficult for the ICC to detect or investigate violations of this article, primarily because ICC teams have not been permitted to travel freely in the area around the Chinese border where supplies are received. The fixed team at Lang Son reported on 30 September 1954 that reconnaissance of roads was impossible due to restrictions placed on all movements by local Viet Minh authorities. Moreover these teams are too small to cover fully the lengthy and largely inaccessible border zone.

"The best available U.S. intelligence (based largely on usually reliable French sources) indicates that the Viet Minh army has continued since the Armistice to increase its firepower as well as its combat efficiency and size. The fact that the Viet Minh is reinforcing its armed forces tends to confirm the reports that a large amount of war material, quite clearly over and above the allowable categories, has entered illegally into the Viet Minh zones despite the system of inspection established under the cease-fire Agreement, and in direct violation of Article 17 of that Agreement."

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[1] Source: Department of State, OCB Files: Lot 62 D 430, Southeast Asia. Secret. Drafted by Hoey.

[2] This paper, January 31, is *ibid.*, S/P–NSC Files: Lot 62 D 1, Far East, U.S. Policy Towards, Collins' Report on Vietnam.

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48. Telegram From the Secretary of State to the Department of State[1]

Manila, March 1, 1955—10 p.m.

Dulte 18. Eyes only Acting Secretary for President from Secretary.

"Dear Mr. President: Am now en route to Manila after two very strenuous days visiting Vientiane, Phnom Penh and Saigon.[2] Overall impression is here exists native leadership which if stimulated, guided and supported has good chance to hold the area. In Laos Crown Prince is able and has some able ministers although present Prime Minister[3] is man of hesitations.

Big problem is to clear the Communists out of the two Pathet Lao provinces. It is believed that government has the power to do this but is reluctant to act fearing this may provoke open invasion by Viet Minh or from China. I sought to assure them that Manila Pact would deter such open, armed aggression, and I hope they may act soon as delays merely increase the Communist buildup.

In Cambodia the King[4] is vigorous and full of ideas. On the whole he is healthy influence although some of his theories show immaturity. Big problem there is to work out military training arrangements. I spent considerable time working with French at Phnom Penh and Saigon and hope that we can find the solution on lines of our last talk at the White House. This, I know, is not satisfactory from a military standpoint, but it provides a politically acceptable formula which might work and which if it does not work can later be discarded in favor of something better. At least it would enable us to get going.

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[1] Source: Department of State, Central Files, 751G.00/3–155. Top Secret. A marginal note on a copy of this telegram in the Eisenhower Library, Whitman File, Dulles–Herter Series, indicates that the President saw this message on March 1.

[2] After conclusion of the SEACDT Council meetings at Bangkok, Dulles made brief visits to Rangoon and Vientiane on February 27, Phnom Penh on February 28, and Saigon on the night of February 28 and March 1.

[3] Crown Prince Savang Vatthana and Prime Minister Katay Sasorith.

[4] King Norodom Sihanouk.

In Saigon I was favorably impressed by Diem who is much more of a personality than I had anticipated. He is not without defects, but his merits seemed greater than I had thought. Collins and Ely have done a superb job and I greatly regret that this team is to be broken up. Apparently Ely will shortly be replaced. Great difficulties remain, but magnitude is less than six months ago.

At Manila we are having a meeting of the Ambassadors from all of the Far Eastern area, and I shall spend tomorrow with them, going on to Taiwan the next day. Faithfully yours, Foster."

Dulles

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49. Telegram From the Chargé in France (Achilles) to the Department of State[1]

Paris, March 1, 1955—8 p.m.

3654. Re Deptel 2956.[2]

1. President's letter to Bao Dai delivered by hand Embassy officer this morning as instructed reference telegram. Bao Dai appeared genuinely pleased by President's letter and gesture. He read letter but made no comment other than that he would respond President's letter as soon feasible.[3] With respect to publication President's letter, Bao Dai stated that he would telephone to his Directeur du Cabinet at Paris and ask him to coordinate its release to the press with us. This will be subject separate telegram.[4]

2. We said we wished take advantage occasion to express regret regarding statements attributed to Secretary in *Paris-Presse* article (Embtel 3590[5]) which we said were without foundation. We said we

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[1] Source: Department of State, Central Files, 751G.00/3–155. Secret; Limit Distribution. Repeated for information to Saigon.

[2] See footnote 2, Document 45.

[3] In his reply dated March 5, Bao Dai stated that he had been "happy to learn that General Collins considered that the action of President Diem and his government held out serious chances of Vietnam remaining free." He assured Eisenhower of his gratitude for U.S. support and assistance and concluded by emphasizing that he had made known to the Vietnamese people that their first duty was to obey their government. (Translation from the original French transmitted in telegram 3754 from Paris, March 8; Department of State, Central Files, 751G.00/3–855)

[4] The letter was made public on March 3.

[5] In this telegram, February 25, the Embassy reported that *Paris-Presse* carried a story from Bangkok in which Dulles reputedly implied that Bao Dai was a negligible quantity and "the only legal authority in Vietnam" was the government of Ngo Dinh Diem. (Department of State, Central Files, 751G.00/2–2555)

wished underline that neither Secretary nor US Government wished derogate in any way from his internationally recognized role and legal authority as Chief of State Vietnam etc. (along lines para 3 Embtel 3590), and that we continued rely on substantial support we knew he could contribute to strengthening Vietnamese Government. Bao Dai expressed appreciation saying he had never had any doubt but that article inexact and did not correctly reflect Secretary's views.

3. We orally expressed General Collins' concern regarding recent activity Binh Xuyen as well as Hoa Hao along lines Saigon's 976[6] and evoked as one possibility of attacking problem the revocation of decrees vesting control police and Sûreté in Binh Xuyen and phased turnover those powers to Vietnamese Government. Bao Dai's reaction was unenthusiastic as expected; however our suggestion if nothing else served break through his attitude oriental calm. Bao Dai then proceeded make abundantly clear to us that he did not think such a move likely contribute to an improvement in political situation South Vietnam and that on contrary he thought such a move would lead to a further deterioration in political situation there. He went on to say that he was seriously concerned over political situation in South Vietnam which he thought nearing civil war with religious overtones. He added this connection that he thought he perhaps had more objective view situation South Vietnam than many of those at Saigon who too close scene. Bao Dai brushed aside idea of revoking decrees and taking away police and Sûreté from Binh Xuyen saying that while this could be done easily and while he would have no qualms in doing so said revocation of decrees would only raise question whether Diem had men capable taking over these responsibilities. Bao Dai thereafter left no doubt in our minds that he did not think Diem could take over these responsibilities. In any event Bao Dai said he did not think this way approach problem. He said he only too well aware problem of sects since he had had to contend at times with opposition emanating from these quarters as well as from Catholics. Unfortunately everyone in South Vietnam seemed to have lost sight of Viet Minh menace and absolute necessity all working together if Free Vietnam to survive. Bao Dai clearly implied that he thought Diem had failed to a considerable extent in the latter respect. This despite fact he regarded Diem as the most honest straightforward Vietnamese that he knew. He said he also recognized importance having Prime Minister in whom United States had full confidence. Bao Dai said he had given Diem full powers and freedom of action to choose means to achieve basic objective countering Viet Minh subversion and developing strong Vietnam capable resisting Viet Minh attraction.

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[6] Document 45.

Bao Dai then said he wished we would convey message to General Collins that he hoped General Collins could convince Diem of necessity of trying to get along with the various elements Vietnamese political life in effort achieve government national union. Bao Dai made clear he did not think Diem drawing sufficiently on men available who were capable contributing to national effort, nor that Diem was making sufficient effort reconcile differences between respective elements Vietnamese political life. He emphasized that Diem must avoid giving impression he establishing dictatorship and he must avoid precipitating religious war. Bao Dai repeated several times that Diem must place country above self and must not sacrifice national interest in attempting consolidate his personal position and that of Catholic element at expense of rest of country. He appreciated anti-Viet Minh force represented by Catholic element but nevertheless Catholics represented only small fraction total Vietnamese population and Diem must try get along with other elements political life and be tolerant other religions. He emphasized that he thought Diem alienating Vietnamese political and religious elements who could help—and whose help Diem needed if internecine warfare to be avoided—at time when all Vietnamese in Free Vietnam must pull together if they to survive. We said would make known his views to General Collins and to Department.

4. In response our inquiry as to whether he had any other views he might care to express Bao Dai replied in negative.

Achilles

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50. Telegram From the Secretary of State to the Department of State[1]

Manila, March 1, 1955—11 p.m.

Secto 50. Secretary, Ambassador Collins and others met this a.m. with Diem.[2] Following is summary of principal subjects discussed.

(1) French Policy in North Vietnam.

Diem began conversation by expressing his great concern over French policy with respect to Viet Minh. He said French were trying safeguard their economic and cultural interests in North Vietnam in accordance with Geneva Accord. However, he feared they were also using this as pretext establish political relationship with Viet Minh. Diem strongly disapproved of French policy under Sainteny because would affect position of Government of Free Vietnam in Vietnam and Southeast Asia. He said his government wishes establish close and friendly relations with countries Southeast Asia—mentioned Burma, India, Indonesia—and to gain their support. While appreciating aid from US, Diem said Vietnam should not depend on US alone but should also have support of neighbors of Vietnam in Southeast Asia. If French policy of developing political relationship with Viet Minh is pursued, it will raise prestige and strengthen position of Viet Minh regime on one hand, lower position and prestige of Government of Free Vietnam. This in turn will make it more difficult for him develop kind of relationship with Vietnam's neighbors in Southeast Asia. He then read public statement issued by Dufours, head of Tramways in Hanoi, that only obstacle good relations between French and Viet Minh is US. Diem inquired of Secretary as to views of US on French policy in North Vietnam.

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[1] Source: Department of State, Central Files, 751G.00/3–155. Top Secret.

[2] This discussion took place in Saigon. Dulles then flew to Manila the same day.

Secretary replied that in Bangkok, he had expressed strong objections to Bonnet regarding French proposal of turning over 60 percent interest to Viet Minh in French economic establishments.[3] Secretary said he told Bonnet this would give Communists good opportunity to blackmail French on French policy in South Vietnam. Bonnet had asked Secretary if elimination French governmental interests in new arrangements for these joint companies would make proposal more acceptable to US. Secretary told Bonnet that having solely private French interests would make proposal less bad, but would still be objectionable from US point of view since French companies could still exert great pressure upon French Government.

Secretary said did not know how this matter would turn out, but French Government was fully informed on our view.

Foreign Minister Do expressed his personal view that real intention of French in North Vietnam is to develop trade with south China by means of their relationship with Viet Minh. French believe South Vietnam is lost, and even if it is not, their concessions in South Vietnam are disappearing. Therefore, they have nothing to develop here. If Communists take all Vietnam, French concessions will be lost anyway, and they will have no position here whatsoever. Therefore, in Foreign Minister's view French are trying to establish base in North Vietnam for developing trade with provinces in south China. He compared French concept to British position in Hong Kong.

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[3] An account of this discussion is in Secto 14, February 24. (Department of State, Central Files, 396.1–BA/2–2455)

(2) Internal Security.

Most of discussion this morning concerned difficulties created by sects. Diem outlined situation in some detail and returned to it number of times during conversation. He pointed out control of Binh Xuyen in Saigon–Cholon area and its control over Saigon police. Also described control of Hoa Hao in southwest provinces. Cao Dai did not seem bother him too much at this stage. Diem said he was very much concerned over intrigues between Binh Xuyen and Hoa Hao, for he fears they may be plotting some kind combined action against government. He said will take about two months for him to build up National Army to point where Binh Xuyen would not dare take overt action against government. Said it was indispensable that French cease providing munitions and other support to sects. He suspects that French elements in lower echelons are encouraging some of sect leaders into anti-governmental action. Ambassador Collins told Diem he should provide him with any information and names on specific instances such encouragement and support. Ambassador said so far he had not received reliable evidence to back up Diem's charge. Later in conversation Diem said local units French naval forces with small craft are stationed in southwest province in Hoa Hao territory. Because National Army units know French are there, they hesitate move into this area for fear of difficulties with these French units. Ambassador Collins said he would speak to General Ely immediately about this situation. Diem said it is essential National Army be assured sufficient ammunition and logistic support to restore security, and was equally essential that supply of ammunition to sects be stopped. Ambassador Collins replied Diem could be assured of logistic support from US for National Army and of equipment. He also said he had assurances from Ely that no ammunition was being supplied sect armies.

Diem said he hoped transfer of few remaining territorial commands from French to National Army could be completed in next few weeks. This was important because it would give Vietnamese Government and National Army responsibility for security throughout Vietnam and eliminate confusion or duplication between French and Vietnamese.

(3) Resettlement of Refugees.

Secretary asked whether this program was in good shape or not. Diem replied that, thanks to US, funds were available to maintain these refugees as they arrived for their day-to-day subsistence. Government Vietnam had calculated necessary amount of money in terms approximately 450,000 refugees. Now there appeared would be many more and there would not be enough money. Ambassador Collins said he had raised possibility in Washington that more funds would be required for additional refugees.

As to permanent resettlement of refugees, Diem pointed out program depended upon restoring security in rich rice areas in southwest. This is area controlled by Hoa Hao. Collins frankly told Diem program not moving fast enough and should be accelerated to meet May rice crop planting.

(4) United States Support for Diem and Free Vietnam.

Secretary expressed satisfaction that Diem's position is much more secure and favorable in country. Secretary told Diem that US Government—President and himself—had great stake in him and in Vietnam. US had through its efforts and aid and moral support contributed to Diem's present position of security in country. Therefore, it is essential he take those actions necessary to strengthen his government. Since he is now secure, he can afford to bring into his government other men who might otherwise be his political opponents. In time of national crisis, differing elements must work together. Therefore, Secretary said he hoped Diem would realize what he does in Vietnam is important to US in cause of freedom throughout world. Internally, Congress and American public opinion have come accept decisions of US support for Diem and Free Vietnam. Policies his Government will largely determine continuation this support. Internationally position Diem government also important because if there is failure here, US prestige will be gravely affected. Secretary also told Prime Minister that French Government now gives evidence of supporting him and not seeking to change him. Secretary explained that during past few months French Foreign Minister has always wanted to discuss what we were to do if Diem failed. They have now dropped that subject from the list.

Diem's response to Secretary's statement regarding necessity for bringing highly qualified people into his government was to repeat what he had said about problem of security and difficulties with sects. He stressed again that people of Vietnam must have feeling of security and guarantee of such security was most important task facing him and his government.

Dulles

51. Memorandum of a Conversation, Saigon, March 1, 1955[1]

PARTICIPANTS

Foreign Minister Tran Van Do
The Secretary of State
Ambassador Collins
Mr. MacArthur
Mr. Robertson
Mr. Young
Mr. Kidder

SUBJECT

Security in Viet-Nam and All-Viet-Nam Elections

The Secretary, after an opening exchange of amenities, assured Mr. Do of the complete support of the United States Government for the Diem Government and of his satisfaction with the increasing position of strength in which the Diem Government finds itself. He likewise informed Mr. Do that at Bangkok he had been assured by the French representatives there, particularly Ambassador Bonnet, of the French Government's final determination to give its full support to President Diem.

The Secretary asked Mr. Do for his estimate of the situation. In reply Mr. Do outlined the extremely weak position in which the Diem Government found itself when it was inaugurated during the Geneva Conference at a time when it controlled neither the army nor the police and did not have the support of the sects with their armed forces. Mr. Do then gave a résumé of the development of the government and expressed his belief that it had been largely thanks to the work of Ambassador Collins and the constant support of the United States Government that the Diem Government had been able to surmount the many difficulties in its path. He referred to the removal of General Hinh and the control of the army by President Diem, and said that little by little the President is now getting control of the sects. However, he emphasized that the remaining great problem in the South is that of security of the provinces. Until such time as the sects are brought under control and National Army units stationed throughout the country it will be extremely difficult to carry out the agrarian reform program and to resettle properly the great numbers of refugees from the North.

The Secretary asked Mr. Do about elections and the conversations, which, according to the Geneva Accord, should commence in July of this year. Mr. Do's reply made it evident that the Vietnamese Government has not as yet adopted any firm position. He was not explicit in expressing his ideas as to exactly what the elections might be or for whom one might vote.

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[1] Source: Department of State, Central Files, 751G.00/3–155. Secret. Drafted by Young and Kidder.

The Secretary referred to the experience of the United States with proposed elections in Germany and Korea and said that in the case of the former we had been discussing the matter for ten years without being able to come to agreement with the Communists in East Germany on what constitutes free elections. He believed that the issue of free elections was all in favor of Free Viet-Nam. Viet-Nam, he said, must be in a position to carry on the conversations with the Viet Minh with a thorough knowledge of Communist tactics. Advisers could be made available who are familiar with the methods that the Communists have used in the past in attempting to frame elections to suit themselves. He said that he did not believe that freedom of election could be assured in the North merely by the supervision of the International Control Commission. Unless freedom from pressure before the elections and freedom from fear of reprisals after the elections can be assured, it is quite immaterial what happens on the day of the actual elections.

Mr. Do, in expressing thorough agreement with the Secretary's views, said that undoubtedly conversations would be carried on for a long time and doubtless without any meeting of the minds as to exactly what the elections should represent. The Geneva Accord, being as vague as it is in its provisions relating to elections, would allow a great deal of such discussion. The Foreign Minister expressed appreciation for the offer of assistance in the matter of elections.

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52. Telegram From the Chargé in Vietnam (Kidder) to the Department of State[1]

Saigon, March 3, 1955—7 p.m.

3677. . . . gave Embassy officer copy of recent report . . . on current French/Vietnamese/Viet Minh/ICC positions toward Geneva Agreements.

. . . .

Summary of main features of report follows:

Start Summary:

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[1] Source: Department of State, Central Files, 751G.00/3–355. Top Secret. Repeated for information to Paris.

1) ICC Indians, Poles, some Canadians and Viet Minh convinced French cannot ensure observance political clauses of Geneva Agreements. Conviction result of statements by Vietnamese Government and American diplomatic and military missions that they do not recognize (*sic*) Agreements.

As result Viet Minh no longer feel protected or bound by Agreements and no longer count on elections. Chinese/Russians urging them free selves from Geneva commitments.

2) Both Viet Minh and Vietnamese permitting ghost facade of Agreements to continue because neither willing assume responsibility for destroying. Urgent measures needed to give new life to treaty.

3) Because ICC understood situation Desai tried through Ely to obtain from French Government official announcement French would observe political clauses. Fall Mendes government reinforced belief of those who fear French will default on agreement.

ICC is divided between two tendencies:

> A) Indians wish avoid at all costs brutal, premature ruptures of present procedures fearing resumption hostilities or at least failure Indian arbitration.
>
> B) Poles, and to some extent Canadians, want French officially state whether or not they can guarantee observance of Agreements.
>
> If not, Poles claim ready return Warsaw and Viet Minh will consider selves free of all obligations.

4) Two factors of present equilibrium are disappearing: control of Haiphong zone, Geneva Agreements and ICC.

Viet Minh will certainly not make any move against south until in possession Haiphong.

National Government's position toward Agreements is inciting Viet Minh to plan means (infiltration) to control south other than election. Such activity will be more or less rapid depending on international situation. Consequently priority goal of French must be to gain time vitally needed to enable south consolidate political situation and strengthen National Army in order be better equipped to face either 1956 elections, a test of strength, or negotiations for other solution.

5) Important French officially announce intentions observe all clauses treaty including final declaration. Must try retain authority of ICC.

Vietnam Government must agree play the game at least in appearance and cease repudiating Agreement.

6) Two suggestions:

> A) That French state at Bangkok intentions fulfill agreements but provide for appeal to SEATO if south attacked (even if by internal revolution) prior elections.
>
> B) As date for election discussions approaches, that French make new gesture in favor agreements and help organize discussions.

Finally, everyone must recognize inadvisability of pinpricking ICC. *End summary.*

Kidder

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53. Telegram From the Chargé in Vietnam (Kidder) to the Department of State[1]

Saigon, March 4, 1955—6 p.m.

3695. At request of Hoa Hao General Soai we went to see him this morning, March 4, at his Saigon residence. As we arrived [omission in text] political counselor, was just leaving and there was general atmosphere bustle and scurry of minor functionaries. Hoa Hao Minister of National Economy Luong Trong Tuong was present during conversation with Soai.

General Soai reminded us of continuing difficulties he had been having with Ngo Dinh Diem government and of grave distrust with which he continued to regard Diem's intentions toward Hoa Hao in general and Soai in particular. Soai said that following his complaint to us regarding attempt of government to "whittle down" number of Soai's troops which were to be integrated into national army government had altered its position and had assured him it would take full 3,000 men previously agreed to from Soai's forces. Not one piaster had yet been received from government, however, and Soai was unable pay his men. He said he had positive proof Diem had already paid 18 million piasters to Cao Dai and was making "heavy expenditures" in central Vietnam but continued give no answer to repeated Hoa Hao requests for advance of even partial payment for forces. Soai said if troops remained unpaid they could be expected to resort to banditry and acts of force to obtain money.

He wanted us to know, therefore, that he had tried his best to reach understanding with government but because of Diem's attitude he could no longer be responsible for what would happen.

It appeared clear to us from nature of Soai's complaints and rather perfunctory manner in which they were made that he regarded this conversation not so much as appeal to Americans to intervene in his favor with government but as fulfillment his previous promise to inform us before he took any drastic action. We, therefore, inquired as to just what these events might be for which he was seeking to disclaim responsibility.

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[1] Source: Department of State, Central Files, 751G.00/3–455. Secret. Repeated to Paris and to Manila for Collins who was attending the Far East Chiefs of Mission meeting, March 2–5.

Soai, although evasive at first, eventually hit on heart of matter by saying he had come to firm decision there must be change of government and inquired if Americans would support a new government headed by "a southerner." We told him categorically that there could be no question of US support for another government in Vietnam at this time. It was firm and determined US policy to support Ngo Dinh Diem and his government and US policy in this regard was firmer than ever. We must tell him bluntly that if there were efforts to overthrow Diem government by force, US support would be on side of Diem. We hoped, therefore, that all elements Vietnamese nationalists could and would reconcile their differences peacefully.

Soai replied that only conditions under which he would consider remaining in Diem government and support it would be: (1) Diem must change his "work methods"; (2) "certain Cabinet posts" must be changed; and (3) certain members Diem's personal entourage must be eliminated.

Soai said his decision was firm and that he was leaving immediately after conversation for his territory in south. He wanted us to know he was grateful for American aid to Vietnam and that "no matter what happened he would still regard the Americans as friends."

Comment: In light of information which Fishel has given us that conspirators against government, notably Hoa Hao, Binh Xuyen and former president Huu, had decided on March 2 to "take action" against government, we believe that conversation was Soai's way of living up to his commitment not to take action without telling us. With the constant alarums and excursions which take place on the political scene here it is difficult to determine how much credence to place in the "irrevocable decisions" taken by many of the participants. We believe, however, that the Hoa Hao pot is coming to a boil and it is entirely possible that there may be some disorders. This is an opinion apparently shared by Diem as we understand he has recently, without consulting national army General Staff or Commander First Military District, moved two companies Vietnamese national army troops from Phan Thiet into Palace grounds thus tripling defense forces of Palace. These two companies are from forces which revolted in favor of Diem during Hinh–Diem conflict and are equipped with five armoured cars and two scout cars. Diem, according to Fishel, has also instructed recently rallied Cao Dai General Trinh Minh The to place his forces around Saigon in such a manner as to bracket Binh Xuyen forces between national army troops in Saigon and The's men outside the city.

Diem has brought about this tense situation by applying pressure to Hoa Hao. Whether or not he is in sufficiently strong position to continue this pressure without causing explosion we will probably learn within brief period of time.

Kidder

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54. Telegram From the Chargé in Vietnam (Kidder) to the Department of State[1]

Saigon, March 4, 1955—6 p.m.

3697. Deptel 3696 repeated information Paris 2294, Hanoi 497.[2] Embtel 3417 repeated information Paris 951, Hanoi 565.[3]

1. Apparent from all reports received by Embassy that North Vietnam economic situation has deteriorated materially since take over Hanoi in October 54. This evidenced by black market rate for North Vietnam Dong which currently reported between 60 and 80 per South Vietnam piaster as compared with forced 30 to 1 conversion rate. In addition to French firms planning leave Haiphong, understand Indian and Chinese merchants now getting out because bleak future and increased taxes. Apparently unemployment increasing. Economic troubles North Vietnam seriously increased by failure rice crop in Tonkin which adds to normal rice deficit. Embassy believes rice shipments to North Vietnam offer best means exploitation. This subject discussed briefly with Secretary Dulles in Saigon.

2. Reports received, including those from Hanoi Consulate, indicate rice crop North Vietnam shortest in recent years. Supply may be as low as 45, when almost million people reportedly starved. Recent Viet Minh action to control supply and price of rice may insure better distribution than in 45, especially to groups Viet Minh favor, so that deaths may be reduced. Already reports starvation deaths in rural areas.

3. Appears Viet Minh will not be able bridge gap before next harvest without substantial outside help. Chinese have already made

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[1] Source: Department of State, Central Files, 851G.00/3–455. Secret. Repeated for information to Paris and Hanoi.

[2] In this telegram, February 25, the Department requested the Embassy's current evaluation of the North Vietnamese economic situation (which the Department had reason to believe was deteriorating) and an estimate of whether the situation could be exploited to U.S. advantage. (*Ibid.*, 851G.00/2–2455)

[3] In this telegram, February 15, the Embassy reported a discussion in which Foreign Minister Tran Van Do speculated on the possibility of his country sending rice on humanitarian grounds to the North. (*Ibid.*, 851G.49/2–1555)

shipments to Viet Minh, but apparently not in substantial quantities. Failure receive adequate supplies this source probably accounts for recent government announcement Viet Minh press proposing facilitate resumption economic relations between North and South. Rice is continuing to move to Haiphong from Saigon, but so far no evidence of substantial movements into Viet Minh area or of stockpiling in excess needs Haiphong before Viet Minh take over.

4. Logical source supply rice North Vietnam is South Vietnam. Believe South Vietnam should be encouraged offer rice to starving people in North under guarantee that recipients fully aware source of relief supplies. If offer accepted, South would gain stature as area where economic conditions favorable. If offer unaccepted, Viet Minh would be guilty before own people and world of starving own people for political purposes. Either action on part Viet Minh could be exploited our advantage propaganda wise. As indicated by reference B South Vietnam would probably agree readily make such offer if funds available to purchase rice.

5. Believe Viet Minh would refuse rice offered under these conditions. However, if offer were accepted, means would have found finance rice shipments. (Barter rice for coal and cement ruled out from exploitation standpoint, since Viet Minh would certainly take full credit for supply and since coal and cement shipments to South would not fully pay for rice shipments to North.) Gifts of rice could not be financed by Vietnam Government or within framework present aid program. Pre-Geneva rice shipments from South to North approximated 100,000 metric tons annually. Believe shipment this quantity in next few months costing about US $10–15 million equivalent in piasters would be approximate order magnitude appropriate program.

6. Believe offer should be made by South Vietnam Government, and if accepted, supplies ostensibly furnished by them. US role should not be publicized. Conceivable US could agree with Vietnam to make available through grant like amount US surplus agricultural products in event Vietnam Government offer accepted. If financial assistance this program were received from other nations, particularly France, Vietnam Government should still reap propaganda benefit.

7. Assume reference A did not seek recommendations in propaganda field covering disparity economic conditions North and South and refugee movement which currently being exploited.

8. USIS strongly concurs.

Kidder

55. Telegram From the Consul in Hanoi (Corcoran) to the Department of State[1]

Hanoi, March 7, 1955—4 p.m.

891. In conversation with Vice Consul last week Debarbot, aide to Sainteny, summed up as follows what we find to be still general state of mind members Sainteny mission:

(1) France and US striving for same objectives in Indochina (halt march of communism) but working at it in different ways. French way is the right way and US would probably realize this in about two or three years when it would be too late.

(2) French presence North Vietnam not inconsistent with French policies South Vietnam, SEATO etc.

(3) France definitely thinking in terms of Titoism for Vietnam. If French pulled out of North Vietnam ChiCom and Russian influence would increase. Admitted French had not accomplished much with Viet Minh and chances of success in weaning Viet Minh away from communism were small. However, while there is still a chance, French believe attempt has to be made.

(4) Stated some forces in local government are more nationalist than Communist. Pictured Ho Chi Minh and Pham Van Dong primarily as nationalists while Communist forces are Truong Chinh (head of Party) and Giap.

(5) South Vietnam Government long way from being representative of people. Believed proposed South Vietnam Army would be resounding failure since Vietnamese officers would be same poor quality as they were under French (Debarbot commanded troops in Indochina during latter stages war) and officer corps would collapse in battle. Noted Viet Minh Army greatly politically indoctrinated while South Vietnam Army would feel it had no mission. Therefore if war broke out again South Vietnam Army would fall apart unless backed up by foreign troops.

(6) Emphasized elections would be held and Viet Minh would probably win. Country would either be united or war would break out again. When asked what would happen if Ngo Dinh Diem tried obstruct holding elections, Debarbot humorously replied French would put Diem on ship to France and give him enough money for two years on the Riviera.

Corcoran

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[1] Source: Department of State, Central Files, 651.51G/3–755. Secret. Sent also to Saigon and Paris.

56. Memorandum From Wesley Fishel of Michigan State University to the Special Representative in Vietnam (Collins)[1]

Saigon, March 7, 1955.

SUBJECT

Government en Famille

The President and I discussed at length the positions of his brothers with respect to the Government.

The President characterized M. Ngo Dinh Nhu as a "pure intellectual, who writes Latin and Greek better than he does French, and who would prefer to spend his time poring over old manuscripts instead of worrying about political problems." He asserted that his brother does not play a role in political affairs, but that his contribution is more frequently negative than positive, and that his political judgment is not always correct.

He credited M. Nhu with being one of the moving spirits behind the organization of the Can Lao Nhon Vi (Workers Party). He added that this party consisted at last report of approximately 95 members. He noted that M. Nhu is often accused of forming said party as an instrument for helping his brother politically, and observed that the party actually was formed perhaps two years before he (i.e. the President) returned from overseas. He also attributed to Mr. Nhu the "spiritual backing" of the Quoc Gia Cath Mang (Party of National Revolution), but added that he did not know very much about this group other than that it was not of major political significance.

The President observed that many of his friends had urged him to form a political party to give him a base of support in political affairs, and to put him on equal terms with such parties as the various Dai Viet groups, the VNQDD, and others. However, he has never had time nor the inclination to concern himself with such activities. Furthermore, he cannot say with any accuracy exactly what his brother Ngo Dinh Nhu had done or is doing in that regard—except that he has not been outstandingly successful.

The President characterized his brother Ngo Dinh Can as a much misunderstood man. He pointed out that M. Can is an invalid whose heart is so bad that he cannot walk 100 yards at a time. Can is the family businessman. That is, he has for years been in charge of administering the family property and looking after their mother.

According to the President, M. Can is active in politics, but only in a negative sense. He defines this in the following terms: "My brother never used to be interested in politics until our eldest brother

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[1] Source: Collins Papers, Vietnam File, Series VIII, Dr. Fishel. Secret.

Ngo Dinh Khoi was killed, along with his son, by the Viet Minh in 1945. Since that time, Can has become increasingly interested in politics. He is, politically, the wisest of all of us. It is a pity that his health is so bad, that he cannot do this job instead of me. People have come to him for years for advice. Before 1945 they came to him for advice as to what to do with their crops, about their horses, and their businesses, etc. But they used to ask him for political advice too, and he would refuse it to them. After Khoi was murdered, Can started giving answers to political questions that were asked of him. And since his advice was good, people kept coming back to him for more advice. M. Duyen goes to him all the time for advice. I have told Duyen time after time, 'For heaven's sake, leave him alone. He is a sick man. Don't bother him. You are the Governor of the Center, not he.' But still he continues to go to him for advice."

I questioned the President about the report that his brother Can had organized "assassination squads" and otherwise engaged actively in politics. He replied that his brother would *never* do such a thing and that he was positive that he never had done such a thing. He added that this rumor was first spread by General Hinh last fall, "not because Can had organized such squads, but because Hinh was afraid that if someone asked Can whether he should organize an assassination squad, Can might say yes, and since if he did say yes, my brother would give explicit advice as to how to go about it, General Hinh was afraid. But you may be sure that Can has never done anything of the sort." The President then characterized Ngo Dinh Luyen, the youngest of the brothers, as "very capable, but very hot tempered."

The President is extremely sensitive to criticism of his brothers. His reaction to the discussion of Can in particular was one of outrageous defense of a man whom he considers to have been wronged by malicious rumor mongers. He did admit however that he did not have time to check on the activities of his brothers, and that it was possible that they did engage in some activities of which he has no knowledge. He added at this point that he had not had a letter from Ngo Dinh Can since he returned to Viet Nam. "In fact, we have a saying in our family that the skies will fall in when Can writes a letter."

Although there is no question in my mind of the President's complete sincerity and honesty in making the above quoted statements, I am equally sure that both Can and Nhu are engaged in political activities of which the President has no knowledge, mainly because neither brother wishes to tell him what he is or has been doing. It is a fact that the three younger brothers (Nhu, Can and Luyen) are afraid of the President. They are extremely careful not to arouse him to anger. Nhu in particular remembers that his wife was "asked" to take a vacation in Hong Kong for two months because the President was angered by some of her actions.[2]

Fishel

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[2] The following note appears at the end of this memorandum: "Certificate. I certify that Dr. Wesley Fishel dictated the above memorandum to me on the night of 7 March, and authorized me to submit it to Ambassador Collins in his name, as he would be departing Saigon on the morning of the 8th of March, before having an opportunity to sign it. Jack J. Good, C[hief] W[arrant] O[fficer], USA."

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57. Letter From the Special Representative in Vietnam (Collins) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)[1]

Saigon, March 10, 1955.

DEAR WALTER: I have been somewhat disturbed over the manner in which our Paris Embassy handled President Eisenhower's letter to Bao Dai, and the conversation with Bao Dai re possible revocation of the decree placing control of police and Sûreté in the hands of the Binh Xuyen.

Despite the opportunity to exercise some firm control over the communiqué issued by the Bao Dai Cabinet in Paris, it appears to me that we permitted Nguyen De to twist the entire purpose of the President's letter. As I understood it, the primary purpose of the President's letter to Bao Dai was to reaffirm our determination to support the Diem Government, and to serve as a subtle warning to Bao Dai to cease and desist from undermining the Diem Government. This latter point was to counteract anti-Diem influences that were suspected to be working on Bao Dai at Cannes through La Chambre's visit, and the presence of General Hinh and other anti-Diem characters. By permitting the last paragraph to be inserted in the communiqué, we allowed Bao Dai's coterie to make the President's letter seem to be designed primarily to confirm U.S. recognition and support for Bao Dai as Chief of State.

Bao Dai's Cabinet cleverly wired the communiqué at once to Saigon where it was printed in full in all the native papers before our Embassy here had a chance to advise Diem and Ely, or to publish the full text of the President's letter. The communiqué has had a certain amount of effect on encouraging Diem's political opponents in Vietnam. Diem personally does not take this too seriously, but he characteristically underestimates all opposition.

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[1] Source: Department of State, FE/SEA Files: Lot 58 D 266, Collins Mission Miscellaneous. Confidential.

There is no question but that Bao Dai has recently had emissaries here stirring up the Sects, including the Binh Xuyen, in opposition to Diem (see Embtel 3757[2]). Another aspect of the conversation between our Paris emissary and Bao Dai[3] that disturbed me was the fact that Bao Dai was permitted to launch into a spurious criticism of Diem along religious lines. This, despite the fact that several of my messages repeated to Paris refute these charges. Diem has publicly stated that he will guarantee freedom of religion, and at an appropriate occasion I still hope to have him repeat this pledge. Such charges as made by Bao Dai, if not repeatedly challenged whenever made, could possibly firm up opposition against Diem by dissident elements who are seeking some basis for their opposition that would be acceptable to the public.

My final point is that our emissary should never have even tacitly accepted the suggestion made by Bao Dai that I be an emissary between Sa Majesté and Diem. Needless to say, I have no intention of assuming this role.

My only point in raising these matters with you is that this is one more example of what appears to me to be a lack of appreciation of the true nature of our problems here on the part of whoever handles Vietnamese affairs in the Paris Embassy.

Naturally, I don't want to start a fight with the Embassy, particularly as I have considerable business to do with the Embassy on my permanent assignment with the Standing Group of NATO. If you see fit, I would suggest that you might discuss this matter with Livy Merchant, or whoever handles the Paris desk in the Department. It will be perfectly all right with me if you show Livy this letter, although I would not wish it to be circulated in the Department or sent to Paris.

Knowing how many other much more important matters you have to worry about, if you should decide the best thing to do with this is tear it up and throw it in the waste paper basket, that will also be wholly agreeable with me. You have such a nice broad shoulder that it invites weepings.

It was a pleasure to see you out here and to have a chance to work with you in our conferences at Manila and Baguio. I hope you have been able to get some little rest since you returned home.

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[2] In this telegram, March 7, Collins specifically referred to Ung An, a member of Bao Dai's imperial cabinet, who had just returned to Saigon from France. (*Ibid.*, Central Files, 751G.11/3–755)

[3] See Document 49.

With warmest, personal regards.

Sincerely yours,

Joe Collins
J. Lawton Collins

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58. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Saigon, March 10, 1955—6:29 p.m.

3915. Saigon 3798 repeated Paris 3169.[2] Department approves your informing Ung An successful effort overthrow Diem would result in U.S. reconsidering utility our support to Free Viet-Nam. Point to be made is that no alternate candidates for presidency appear to U.S. have qualities which constitute ability combat Communist threat Free Viet-Nam.

We have noted French and Vietnamese reaction to apparent U.S. support of Diem as individual rather than as representative of anti-Communist nationalism. We believe every occasion should be taken clarify this distinction which cannot derogate from our support of Diem in absence other leader of equal qualities.

Agree you should not be channel for instructions from Chief State to Chief Government which also should be made known An. Question of Bao Dai's diverting President's letter was one which we anticipated.

If in your judgment publication full text would put issue on right track, you authorized inform Diem he may release full text with comment.[3]

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[1] Source: Department of State, Central Files, 751G.00/3–1055. Secret. Drafted by Hoey and cleared by Sebald. Repeated to Paris.

[2] In this telegram, March 10, Collins covered much the same ground as in his letter to Robertson of the same date (*supra*), although it was briefer and more official. The following excerpt from the cable gives additional information on the proposed démarche by Collins to Ung An, Bao Dai's representative in Saigon: "Unless Department disapproves I plan to call in Ung An and reiterate to him U.S. intention to support Diem. Without referring specifically to Bao Dai I will suggest Ung An inform his friends, particularly among sects, that if successful attempt is made to overthrow or undermine Diem, U.S. may withdraw all support from Vietnam, as indicated by Senator Mansfield and others." (*Ibid.*)

[3] Eisenhower's letter was released in Washington on March 3, but was apparently not available in Saigon.

Secretary's speech 8th[4] also should be considerable political value to Diem if his Government's public relations ability to disseminate is utilized. Secretary's speech constituted strong endorsement to unusual degree.

Dulles

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[4] In this address the Secretary reported on his Asian trip. Part of the section on Vietnam reads as follows:

"I was much impressed by Prime Minister Diem. He is a true patriot, dedicated to independence and to the enjoyment by his people of political and religious freedoms. He now has a program for agricultural reform. If it is effectively executed, it will both assist in the resettlement of the refugees and provide his country with a sounder agricultural system. I am convinced that his Government deserves the support which the United States is giving to help to create an efficient, loyal military force and sounder economic conditions."

For the full text of the speech, see Department of State *Bulletin*, March 21, 1955, pp. 459–464.

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59. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, March 10, 1955—2 p.m.

3797. 1. I called on Ely prior his departure for Paris 10th. He said he was going to make contact with new government and review budget and perhaps political questions. I asked if he had assurance of funds sufficient, with U.S. aid, to maintain FEC troop level he desires. He replied he had no intention of going below 75,000. At present he is evacuating 10 to 14 thousand troops per month, a figure he thinks too high and might give idea that FEC is being withdrawn entirely. He hopes level off shortly to a lower rate which could be steadily continued in event Vietnam Government should decide to request complete evacuation. He feels 75,000 is minimum force with which he can face troubles in South Vietnam if they should occur.

2. Ely visited Cambodia and Laos 8th. He feels situation Cambodia is not serious. Agreement appears exist between old and new kings[2] regarding holding elections under conditions favorable to government. Sihanouk thinks he can wage successful election campaign against leftist politicians. Ely noted Sihanouk is still in public eye and remains Commander-in-Chief of ARK. Although new king has

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[1] Source: Department of State, Central Files, 751G.00/3–1055. Secret. Repeated to Paris, Phnom Penh, and Vientiane.

[2] On March 3, Sihanouk relinquished his crown in favor of his father who became King Norodom Suramarit.

been making some show of independence against Sihanouk, Ely feels the father has no intention of contesting son's position.

3. Ely had lengthy conversation in Vientiane with Prime Minister Kathay regarding two northern provinces. Ely said danger that Pathet Lao might be taken into coalition government now seems averted. He had also feared Laos might re-open hostilities under unfavorable conditions in an attempt to establish authority in northern provinces. This danger also seems averted but still occasions him some concern. I asked Ely how he proposed Laos Government get provinces under control. He replied this should be done through diplomatic channels. He said so far only French have protested Pathet Lao activities. He would propose at some stage that Laos appeal to Geneva powers if ICC were unable obtain satisfaction from Laos Government. I said I had impression ICC favored Communist position. Ely replied that such impression from outside was understandable. However, Indian position has changed appreciably in favor of non-Communists, and Canadians, long intent on strict neutrality, now appear leaning to this side. This evolution should permit satisfactory solution of Laos problem. Otherwise the Geneva powers might be asked to intervene. I asked what the powers could do. Ely replied that ultimate appeal might be made to SEATO. However, Lao Government must meanwhile be careful avoid appearance of aggression. I asked how under Geneva Accord Lao Government could be labeled aggressor if it took defensive action in its own territory. Ely said Laotians might in course of military action cross frontiers and lay selves open to charge of technical aggression. Ely commented that recent influx of visitors following Bangkok Conference, all of whom proferred advice to governments of the Associated States, may have had somewhat disturbing effect. He summarized his position on Laos as calling for appeal first to ICC then to Geneva powers and only as last resort to SEATO.

4. With reference Vietnam, Ely said political situation was extremely confused owing to action of sects and difference of views within the government itself. I asked him how he evaluated recent sect manifesto.[3] Ely replied he saw it as warning to government. He believes sects do not intend to take military action and that manifesto may have been made for blackmail purposes. Ely said that several emissaries from Bao Dai to the sects had been and perhaps still were on the local scene. However he did not know who they were or exactly what they were doing. He said that while this may not be the

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[3] On March 1, the Cao Dai Pope, Pham Cong Tac, held a press conference and announced that the Cao Dai, Binh Xuyen, and the Hoa Hao had formed a "United Front of Nationalist Forces" and set forth their manifesto. An analysis of the front and the manifesto is in telegram 3754 from Saigon, March 8. (Department of State, Central Files, 751G.00/3–855)

most difficult political period we have gone through, it is that in which most maneuvering has taken place. I commented that some of our people take the sect manifesto seriously, although they do not foresee military action, while others see it rather as a sign of weakness on the part of the sects. Ely said that his advisors were equally divided in opinion. I said to Ely the sects' reaction appeared to me to be inevitable and that we should not be too greatly surprised or disturbed as long as we watched situation carefully and advised Vietnamese Government on countermeasures. I said I had asked my staff to consider if manifesto could be used by government to own advantage against sects through capitalizing on idea of unity and of suppression of private armies and abandonment of feudal system expressed in sects' manifesto.

5. Ely agreed this approach would be useful but added that there was another aspect which concerned him. General Phuong (Cao Dai) for example has 15,000 "suppletive" troops no longer paid for by French but must be cared for by Cao Dai. I said that we hoped for peaceful solution to problem and suggested that troops discharged from sect armies might be placed on the land as part of the agrarian reform. To enable sect leaders bridge awkward hiatus, we might attempt develop plan for severance pay for such sect forces to give temporary relief on condition that arms be turned in and that no action be taken against government. American aid might be given to settle discharged sect troops on land along lines of refugee and agrarian program. If French were able to provide funds for severance pay, we might help in resettlement. Ely and I agreed set up special group, operating within TRIM (special section in MAAG under Colonel Lansdale handling pacification program) to consider this problem.[4]

6. I remarked that Binh Xuyen appeared most dangerous group at moment. I told Ely that when President's letter was delivered to Bao Dai, Paris Embassy officer had explored with the Chief of State question of withdrawing Binh Xuyen control of police. Bao Dai [illegible] action had been entirely negative. Ely said it was impossible Bao Dai not support Binh Xuyen since Bay Vien is Bao Dai's firmest supporter and still important source of Imperial revenue. Ely remarked that although Bay Vien is now heading sect coalition, he might easily be won over by the government. I asked what Diem could offer him. Ely said Bay Vien wishes to be reassured rather than to obtain material benefits. I said Diem cannot reassure Bay Vien, who is acting against government in many fields. Ely said that worst tactic for Diem to adopt would be to turn his back on Bay Vien. As long as contact is maintained, possibility still exists to work out some solu-

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[4] For Lansdale's account of his work on this special group and Collins' adverse reaction to its recommendations, see *In the Midst of Wars*, pp. 248–252.

tion. I said I would reflect on this matter but was at a loss to see what Diem could offer.

7. Ely said that within the government there appeared to be many men working against Diem. Although they may be performing their daily functions, some of these men seem to be seeking alliance with the sects while others are turning to Bao Dai. The only solution Ely had for this problem was that Diem should make the government work as a government and not rely, as he does, on his family. He said he would again convey this idea to Diem today.

8. I told Ely that I was still not clear as to the status of withdrawal of U.S.-financed Charbonnages equipment from the North. He said that he had given General Cogny orders to evacuate the material and would see him on this subject before Ely's departure.

9. I told Ely that I had learned through his subordinates that he felt our political survey and re-evaluation of the Diem government could be postponed. Ely said there is no urgency about a meeting in Washington on this problem. France and U.S. are in agreement to support Diem. He believed a Washington meeting might be held to discuss larger questions at about the time the Haiphong enclave is evacuated. Ely said that he had expressed this opinion to the French Government. I will take no further action but will pouch copy of our draft of survey seen by Secretary in Saigon to which Ely had given general but not formal agreement.

10. In reply to my question Ely said that during his absence his deputy for military affairs would be General Jacquot, but that no one would substitute for him in the civil sphere.

11. On way out I asked de Rougemont about rumors of Ely's relief. He said Ely undoubtedly will be relieved but probably not till evacuation of Haiphong.

[Collins]

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60. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, March 10, 1955—6 p.m.

3812. 1. I called on Diem 8th.[2] I asked Prime Minister what importance he attached to manifesto issued last week by sects. He replied that only sect leaders now committed to coalition are Cao Dai Pope, Soai and Bay Vien; latter are supported at times by Hoa Hao leader Lam Tan Nguyen and representative of Ba Cut. Pope has illusions of becoming Chief of State, while Binh Xuyen and Hoa Hao are inspired by practical motives. Binh Xuyen wish retain control of police which they fear Diem intends remove from them, while Soai is seeking gain time to corner rice harvest in his own territories. Coalition would like set up triumvirate of which figurehead would be Cao Dai Pope.

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[1] Source: Department of State, Central Files, 751G.00/3–1055. Secret. Repeated for information to Paris.

[2] A memorandum of this conversation, drafted by Sturm on March 9, is in Collins Papers, Vietnam File, Series VIII, Memos for Record.

2. According to Diem, Generals Phuong and Trinh Minh The have refused join sect coalition.[3] They attended meetings in order find out what was brewing, and reported to him. Diem said both Phuong and The would like replace Cao Dai Pope, but have found no suitable replacement.

3. I asked Diem what sects intended do next. He replied that there is still major disagreement among leaders. However, Soai could destroy two or three important bridges. Binh Xuyen have been introducing some of their troops into police; they have acquired houses strategically located throughout metropolitan area to serve as posts, and they are continuing to recruit. Moreover, in addition to their regular armament, Binh Xuyen have three 75-mm guns and three 81-mm mortars which Diem said they secured from French. To meet Binh Xuyen threat Diem said he needed two squadrons of armor for which he has asked General Gambiez to supply the matériel. (MAAG will check on this.)

4. In addition to power in metropolitan area, Binh Xuyen have created wood and fishing monopoly along road to Cap St. Jacques, allowing no trucks other than their own to pass along highway with these products. Trinh Minh The now has small units along this highway and is prepared add two battalions if requested by general staff. Meanwhile, National Army has placed one small battalion back of Binh Xuyen positions on outskirts of Cholon.

5. In general, Diem appeared not greatly concerned by sect manifesto, although he recognizes certain local and immediate dangers may threaten government.

6. I asked Diem his opinion of communiqué issued by Imperial Cabinet on President's letter to Bao Dai. He replied that people could read through communiqué. He said he did not believe Bao Dai had given orders letter should be used for his own advantage, but rather that Cabinet had used it to flatter him. Diem has had full text of President's letter published here. He said he did not believe communiqué threatened his position.

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[3] According to Lansdale, Phuong and The joined the front, although they did so without realizing the significance of their decision; see *In the Midst of Wars*, pp. 246–247.

7. With respect to military budget for February, I remarked that piaster equivalent of $108,000 was provided for Trinh Minh The and said this figure appeared high to me. Diem replied that 3,000 Cao Dai and 3,000 Hoa Hao forces have been incorporated into National Army under special formula whereby each unit retains own staff. I said we must be provided with military budget for whole year in order make proper plans, although disbursement will be on monthly basis. We would wish discuss military budget in detail as soon as certain studies now in progress are completed. Diem agreed.

8. I brought up subject of police forces saying we were concerned by cost, numbers of men and armament. I said we would like to have in written form a plan for provincial police similar to plan we have for national armed forces. Diem said he would assign [name and titled deleted] to work on this problem with my staff. I commented that plan must be completed within next few days in order that allocation for February military expenses can be made.

9. Diem said various provincial police units now total 43,000. His plan is to reduce this figure to 30/35,000.

If National Army functions efficiently in pacification field, it may be possible reduce this figure still further. In addition to 43,000 mentioned, government delegate for south has received 13,000 suppletifs from French in last two months. These forces are needed for time being, but objective is to suppress them completely. With reference to armament, Diem said he had that day sent two representatives to center with mission of collecting rifles in hands of police units [illegible] provinces. All but very few of these rifles will be replaced by pistols.

10. I told Diem I was concerned by conflicting reports on success of national security action program. Reviewing history of program, Diem said Minh had originally proposed a certain Cung,[4] former Vietminh major, to coordinate program. Feeling this program went beyond limits of Defense Department, Diem assigned [name and title deleted] to work on problem. [Name deleted] and Cung prepared statement for recent conference of province chiefs at which Defense Minister's plan for pacification was explained. This plan, according to Prime Minister, called for expenditure of 280 million piasters and provided for virtual duplication of all government services in provinces concerned. Province chiefs expressed dissatisfaction with plan since it would appear rob them of responsibility and authority. After conference, grandiose scheme was abandoned.[5] At present time Cung, with special commission from Prime Minister, is directing pilot

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[4] Kieu Cong Cung. His activities are described *ibid.*, pp. 207–213.

[5] In a memorandum to Collins dated March 8, Lieutenant Colonel John E. Dwan of Collins' staff analyzed this plan. (Collins Papers, Vietnam File, Series VII, L)

project in south. [Name deleted] is not now active in pacification field. (MAAG is following up on this.)

11. I remarked to Diem we had indications things were not going well in center. There appears be conflict between government delegate and Prime Minister's brother Ngo Dinh Can. President's brothers generally are said to exercise functions outside their rightful sphere. Diem defended his brothers, saying they are not active in politics. He said he had often told people of center not to importune his brother Can for advice. Diem added that he was annoyed that people attached political importance to his family. He explained attacks on members of his family by saying that since he has no political party, those who must have an excuse for attacking him speak ill of his family. (We still feel he does use his brothers politically, with result many disadvantages, but have been unable to figure out how to stop this.)

[Collins]

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61. Memorandum From the Chief of the National Security Division of the Training Relations and Instruction Mission (Lansdale) to the Special Representative in Vietnam (Collins)[1]

Saigon, March 14, 1955.

SUBJECT

Panier de Crabes, II[2]

1. At his request, I saw President Ngo Dinh Diem yesterday from 1700 to 1850. He said he was very tired and needed to talk to someone as a friend. Here are the highlights of the conversation.

2. *Binh Xuyen*

The Binh Xuyen worry the President more then the other sects, because they are in position to endanger the government. He asked General Ely on 9 March for tanks for the National Army, but has received no reply to date. Also, on 9 March, General Ely agreed to write the President a letter requesting the return of French Navy armed corvettes now in possession of the Binh Xuyen, which would permit the President to take these away from the Binh Xuyen; the

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[1] Source: Collins Papers, Vietnam File, Series VII, L. Secret. Also sent to General O'Daniel.

[2] "A Basket of Crabs." In an earlier memorandum to Collins of this title, dated March 13, Lansdale had used the phrase to characterize the South Vietnamese political situation. (*Ibid.*)

President said that the Navy turned these over to the French police who turned them over later to the Vietnamese police who gave them to the Binh Xuyen. Diem has not received this letter request from Ely to date.

President has been trying to talk to Bay Vien. Has written him invitations twice during recent days, telephoned him, even had a date with him for 1530 on 12 March. Vien did not show up. 10 minutes before my arrival yesterday, Vien telephoned the President to say he had twisted his ankle and thus couldn't see the President. The President had told him that this would be a private conversation between the two of them, on a nearby plantation if Vien didn't want to talk in the Palace. Diem said he planned to tell Vien he would help him in his economic ventures, if they were not illegal or harmful to the national economy (such as opium traffic). Would also discuss the integration of Vien's men into the National Army.

Robert told the President that the Sûreté under the Binh Xuyen were spending 50,000$ a month to several informant "nests", but that information about the Vietminh was worthless. He suggested that this task be taken away from the Binh Xuyen or that another Sûreté be created.

3. *Other Sects*

Pope Tac is furious that Generals Phuong and The support Diem. General The showed his true colors when he obediently moved into position to block the Binh Xuyen Saturday. Diem said that The had been in touch with General Ty on this move, being worried that his troop movement might be blocked by the Binh Xuyen unless the Army supplied trucks quickly.

The, Hue, and Ngo were agreeable to a plan the President outlined to them: work projects for their men who are not integrated, two or three months at 300$ per man per month.

President has maintained firmly that Ba Cut is a rebel, to give the Army a firm position. In a cabinet meeting, Soai said that the Army had attacked Ba Cut and Ba Cut was only defending himself. The President asked Minister Minh if this were the truth. Minh was very slow in answering that the Army was attacked by Ba Cut. The President said he was pretty much alone in his position in the cabinet meeting, felt lack of support by Minh.

Soai usually gets prepared for action by writing complaints to the government, has done so for years. Recently, he has complained about the unfriendly actions of National Army troops. President sent these letters to Minister Minh to answer for the Army; Minh has not complied. Such complaints give Soai an excuse for action.

4. *Minh*

The President was disturbed by the actions of Minister Minh, particularly in calling meetings of other cabinet ministers and telling them that the situation was very serious. Such a meeting, right after the sect manifesto was published, was curious. The President called in Minh, told him he was 20 years older than Minh, and that Minh should be more rational in viewing the situation, which was like a battle front: some sectors breaking out, but other sectors having good conditions. Minh should not generalize, but should get to work on those sectors needing attention. The President offered the large meeting room in the Palace for any future meetings of ministers Minh wanted to hold, saying that if Minh were going to discuss such serious matters, the President would be interested in hearing of what would endanger the security of the nation.

The President is now putting his requests to Minh in writing and following them up, since Minh has not taken action on many matters, including plans for the security of Saigon–Cholon, seeing Lam Than Nguyen[3] re possible integration, and many others which the President requested verbally. Also, when Minh talks about how serious the situation is, the President asks him if he has any solution and Minh admits that he hasn't.

5. *Communications*

The President asked if the United States could furnish radio sets with a 20 km radius. He wants a radio net: Presidency–Defense–General Staff–1st Military Region. The Presidential radio furnished by Minh is a small French set, which can only be used for a short time, with contact for only a few minutes at 0900 and 1700. He is worried that his radio will be nearly useless in an emergency. He would like small generators to keep the sets operable in case of city power failure. His radio communications with the Center are sketchy, since the Center's transmitter is frequently out of order.

6. *General Ty*

General Ty was being fed a lot of rumors that the President was unsure of him, might replace him any day. The President called in Ty, reassured him that he had full confidence in him, and that he would like to talk to Ty two or three times a week, even if it were merely social visiting. Ty replied that from the bottom of his heart he knew that he was not a superman, was loyal, and if the President desired he would leave at any time. The President feels that he has reassured Ty.

7. *G–6*

I asked the President his desires re the re-establishment of G–6. He said that he wanted this re-established, that much of the intelligence now being reported to the General Staff was rumor and rather foolish. I informed him that officers now available to me at TRIM for advising G–6 were the same French officers who advised G–6 in the past, and that I intended to use them for this purpose. He did not comment on this.

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[3] A Hoa Hao leader.

8. *U.S. Actions*

The President asked me several times if I could tell him anything new about the sects. First, I reassured him that we were aware of the situation and were studying ways and means of what the government might do. After a time, I told him that Ambassador Collins and General O'Daniel had decided to invite sect military leaders in for routine briefings at TRIM,[4] as a means of taking some of present pressures off the situation, and to help him. I did not go into details.

I told him that I intended to inform the Ambassador of our conversation. He said that it was embarrassing for a government head to have talked the way he did to me, if it were government to government, but that he would leave it up to my judgement.

9. *Comment*

The President certainly was not over-confident nor optimistic when talking about the sects. He was most serious and concerned, but seemed to be thinking out the problem clearly. I believe it would be useful to show a little extra friendliness or sympathy in manner, if not in words, during the next two or three visits with him. The weight of the situation is starting to tell on him.

E.G. Lansdale
Edward G. Lansdale
Colonel
USAF

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[4] These briefings are described in a memorandum from O'Daniel to Ely, March 17. (Collins Papers, Vietnam File, Series VII, O)

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62. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, March 15, 1955—8 p.m.

3906. 1. I called on Diem 14th to discuss current troubles with sects to ask his opinion as to what we could do to be helpful. Diem said he had asked Ely to make declaration that sects should now follow government's lead and that any French intervening on behalf of sects as against government would be acting contrary to French policy. I replied that I doubted Ely could made [*make*] such statement since it would be tacit admission French officers were aiding sects, which I did not believe is the case. I added that we have under study with French plan to aid troops discharged from sect forces. Diem replied that Ely had said he might have 5 million piasters available for this purpose. He added this is not very much considering number of troops to be accommodated. He said further that rather than attempt to work discharged sect troops into resettlement scheme, it would be desirable help them re-establish selves in own villages through payment of monthly subsidy of 300 piasters for 3 or 4 months. In addition, certain numbers of dischargees might be enrolled in labor battalions, as proposed by Trinh Minh The and Hoa Hao Colonel Hue.

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[1] Source: Department of State, Central Files, 751G.00/3–1555. Secret. Repeated for information to Paris.

2. I remarked that these are only temporary measures designed help sect leaders favorable to Diem, and do not solve the problem of how to deal with the sect opposition led by Generals Soai and Bay Vien. Diem said that Soai resists effort to demobilize his forces on ground that they must be prepared to meet Communist threat. Cao Dai General Phuong says that he fears attack by Ba Cut and wants Diem to integrate 3,000 more of his troops, making total of 6,000, in National Army. I asked Diem what approach could be made to sects to stop situation from getting worse. He said that the crux of the problem is the Binh Xuyen. Many of his advisers, including some Cao Dai, have told him he should remove police control from Binh Xuyen at once. Diem said he had hesitated to do this, waiting for the army to get into shape and take up appropriate positions. I asked Diem if he had authority to oust Binh Xuyen from police control. He replied emphatically that he did and that such a move would be the least of his prerogatives from legal viewpoint. I said I understood Bao Dai had given police control to Binh Xuyen. Diem replied that Buu Loc had done so. I asked whether Bao Dai would oppose change in police control. He said he did not think so, although if Diem made abortive attempt to remove Binh Xuyen, Bao Dai would complain that he had acted clumsily. In any case he reaffirmed he had full power to dispose of police control.

3. I asked Diem if he was aware that certain sects had recently sent emissaries to Bao Dai.[2] Diem replied that he had heard through Vietnamese High Commissariat at Paris that Bao Dai had told emissaries he did not want Cannes to become a meeting place, especially in international eyes, of parties opposed to Diem government which is his (Bao Dai's) government.

4. With reference to specific situation of sects, Diem said Ca Dai Pope is vexed because of his loss of influence over Cao D

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[2] A report on these approaches to Bao Dai is in telegram 3896 from Paris, March 15. (*Ibid.*)

forces to Generals The and Phuong. Latter, he said, has grown in stature owing to his participation in government. Soai feels his own Hoa Hao forces are falling away from him. Bay Vien, whose primary interest is money, has been losing in his various ventures since Grand Monde concession ended, as his enterprises were all based on gambling. While Hinh was Chief of Staff Binh Xuyen did not need fear army. Now that army is under national government control, fear of it, together with financial losses, has caused Bay Vien join with Cao Dai Pope and General Soai to oppose government.

I remarked that these sect leaders are still strong and ruthless and asked how they could be controlled. Diem said that first thing to do was to take police control from Binh Xuyen and give it to the army. He feels that Bay Vien may be restrained from attempting action against government through fear of losing his wealth, which is considerable. I told Diem I hoped he would discuss this matter in detail with Defense Minister Minh before taking action. He said that he had asked Minh to study problem as long ago as January 20 with a view to disposing army troops for takeover. Minh has delayed, perhaps because he does not wish to get in trouble with Binh Xuyen. Last week Minh sent General Ty with a plan of action which Diem found difficult to understand. I recommended that plan be personally discussed with Minh and Ty and thereafter with few selected ministers before implementation. I asked Diem again what I could do to be of help. He replied that I could give technical assistance in studying plan for army disposition. I said that I would assign General O'Daniel to consider plan. I asked if Diem thought it would be useful if I talked to sect leaders or any emissaries of Bao Dai. He replied that he thought it would not be desirable during next few days. He has invited Bay Vien to call on him but Bay Vien has advanced pretext of an accident to delay accepting. Diem said that when he saw Bay Vien he would tell him that government would be glad to assist him in carrying out any legitimate commercial venture not harmful to the state.

6. I asked Diem whether General Ty's terms of reference as Inspector General had been signed. He replied that following Cabinet approval 12th, they were signed. Cabinet objected to provision that Ty would be Commander in Chief in case of military operations and this provision was stricken. Decree is now being prepared for publication in official journal. Diem indicated that he still has doubts about Ty whom he considers not "safe" politically, lacking in courage and deficient in judgment.

7. In private conversation to which he invited Colonel Lansdale 13th, Diem seemed pessimistic and depressed in discussing sect prob-

lem.[3] During my conversation 14th, however, Diem appeared quite self-possessed and determined.

8. In my judgment government will soon have to take some definite steps to resolve situation created by sect action. Incidents such as yesterday morning's attempted assassination of Tran Van Lam, the government delegate (governor) of South Vietnam, could lead to popular loss of confidence in government's ability to maintain law and order. We will continue to advise Diem to seek political solution, but this will be difficult without bowing to continuations sects' special privileges which run counter Diem government's programs. Meanwhile, I have directed O'Daniel quietly review National Army plans for action in event Diem decides to take over police powers with army troops.

[Collins]

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[3] See the memorandum, *supra*.

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63. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, March 16, 1955—11:16 a.m.

4009. Your 3697[2] omits mention basic reasons why usual flow rice from South to North interrupted. Has Free Viet-Nam imposed restrictions normal flow? Is question foreign exchange involved? Appears solution proposed reference telegram based assumption normal free trade impossible. Hanoi 910[3] refers continuing and increasing nonstrategic trade. No US policy opposes free movement nonstrategics in reasonable quantities for consumption North Viet-Nam.

Our initial reaction is proposed program costly and of dubious value Free World especially in absence reasons why normal trade not being or could not be utilized.[4] What would be reaction South Viet-

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[1] Source: Department of State, Central Files, 851G.00/3–455. Secret. Drafted by Hoey and Jarvis and cleared with FOA, the Departments of Commerce, Defense, and Treasury, and USIA and CIA. Also sent to Hanoi.

[2] Document 54.

[3] Dated March 10, not printed. (Department of State, Central Files, 851G.00/3–1055)

[4] This reaction was based on a request by Hoover to FE for a policy recommendation to the OCB on this question. FE recommended to the OCB Working Group on Indochina that the plan not be supported for reasons made clear in telegram 4009 to Saigon. The OCB group agreed and telegram 4009 was sent out. According to a note (author unidentified) attached to a memorandum from Hoey to Goodyear, March 17,

Continued

Nam people offer free rice to North? What your estimation might be accomplished with program of substantially lesser scope?

We doubt value propaganda result as: a) Growing public knowledge inability any Communist regime feed its people produces favorable propaganda theme for West, particularly among people affected. Alleviation economic ills Communist area by use US funds seems inconsistent unless some balancing advantage anticipated. Do not anticipate such advantage would result from any scheme acceptable Communists. b) Alleviation economic ills Communist Viet Minh might lead to corresponding adverse effect on position Viet-Nam Government, i.e., Viet Minh enemy would be strengthened and that strength used against Free Viet-Nam.

Arguments in favor might be (a) free world unilaterally depriving people Viet Minh area subsistence food, (b) if Viet Minh deprived food could be forced attack Free Viet-Nam. However, we anticipate Communist breach of peace will be at time Communists choose and when Communists believe they can succeed.

FYI Burdensome surplus rice Burma in excess Viet Minh needs constitutes potential source of supply. Burma has contracted sell Chinese Communists 150,000 tons this year. If supply from Burma to Viet Minh is via Chinese Communists would be cause concern since would establish unnatural trade pattern. End FYI.

We recommend you discuss with Diem and his advisors to determine Free Viet-Nam position regarding resumption normal rice trade with Viet Minh area.

Dulles

Dulles said that unless he was given excellent reasons to the contrary, he did not favor the scheme. (Memorandum from Bishop to Robertson, March 9; *ibid.*, OCB Files: Lot 61 D 385, Indochina, General, and memorandum from Hoey to Goodyear, March 17, with attachments; *ibid.*, FE/SEA Files: Lot 58 D 266, OCB Material—1955)

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64. Telegram From the Acting Secretary of State to the Embassy in Vietnam[1]

Washington, March 17, 1955—7:22 p.m.

4034. Saigon 3906 repeated Paris as 1046.[2] We are impressed that your conversation with Diem indicates he has no concrete plan, at least none disclosed in reported conversation, to solve vexing problem of sects opposition.

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[1] Source: Department of State, Central Files, 751G.00/3–1555. Secret. Drafted by Hoey and signed by Robertson. Repeated for information to Paris.

[2] Document 62.

We assume their threat will not remain at present level for long but must inevitably be sharply reduced or sharply increased. Tenor of reporting seems to support gradual withering away of their ability to cause trouble and their own realization of this, particularly following Bao Dai's rejection of their emissary's approach (Paris 3896 repeated Saigon 566[3]) would seem to support thesis of reduction their capability. Possibility of armed uprising as last desperate effort to survive we presume should not be excluded.

Internal irresolution highlighted by recent . . . reports, seems to indicate Minh's policy of failure to support fully Diem's desire to reduce sects by military action.

In view your judgement contained paragraph 8 reference telegram that Government will soon have to take some definite steps to resolve situation, request your views re most likely course action Government will adopt and reaction of sects.

FYI: During conversation with Fishel he stated on last night he in Saigon Diem told him Ambassador Tho being recalled from Japan at once handle problem of sects. Tho's past knowledge French subsidies to sect leaders and their involvement in graft would enable him estimate most efficacious method dealing with them, Diem estimated cost of buying them off (all three) would be in neighborhood 35–40 million piastres. During visit to Japan en route home Tho told Fishel his estimate costs would be closer 50 million piastres but that an additional payment of 40 million would have to be made to Bao Dai if Binh Xuyen were to be deprived police power.

Fishel said he was taking this first opportunity report foregoing to you.

Hoover

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[3] See footnote 2, *ibid.*

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65. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, March 19, 1955—4 p.m.

3980. For the Secretary.

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[1] Source: Department of State, Central Files, 751G.00/3–1955. Secret. Repeated for information to Paris.

1. As you know, I have been studying for some time question of elections in Vietnam under Geneva Accords. Some time ago, I designated members of my mission to work up a study of this subject in conjunction with Embassy political section. This study is being forwarded by despatch[2] in order that our thoughts may be made promptly available to group in Department which, I understand, is likewise working on problem.[3]

2. I would like to outline in this message my personal judgments as to procedure we should recommend to Vietnam Government and broad outline of policies which we should advise them to follow.

3. Diem Government should seize initiative from Viet Minh and announce very shortly that they are in full support of genuinely free elections designed to unite all of Vietnam. They should express full confidence that if truly free elections are held Communist regime of Ho Chi Minh will be defeated. They should express willingness to participate in preliminary discussions commencing in July, which would lead to the conduct of elections in July of 1956. For the moment, however, Vietnamese Government should scrupulously avoid committing itself to any specific details arrangements.

4. Form and status of Government of South Vietnam as it is likely to develop between now and July 1956 must be considered in connection with question of elections under Geneva Accord. It would be advantageous if before July 1956 a fully elected assembly, and a government responsible to it, could be in operation in South Vietnam. Practical considerations, however, will probably rule out any such development, even though Diem Government has indicated its intention to proceed along that line.

5. Decree has been adopted by government providing for provisional assembly, partly indirectly elected and partly appointed. It is proposed that life of this assembly be limited and that it be succeeded by elected constituent assembly. Prime Minister Diem had said he does not believe he can resist pressures to form constituent assembly for longer than about six months after provisional assembly is formed, chiefly because sects want to take full advantage of their present strength and not allow government time to weaken them seriously before relative representation in assembly has been determined.

6. It appears that provisional assembly will not be set up and functioning before June 1955. If this assembly has only six months of

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[2] Despatch 297 from Saigon, March 19, not printed. (*Ibid.*)

[3] Apparently the reference is to a draft of an NSC paper, "U.S. Policy on all-Vietnam Elections", March 4, which was being prepared in S/P by Stelle. (*Ibid.*, PPS Files: Lot 66 D 70, S/P Record Copies, Jan.–May 1955) This draft was submitted in March to other members of the Department for their comments. (Memorandum from Fried to Stelle, March 10; *ibid.*, S/P–NSC Files: Lot 62 D 1, NSC 5519)

life, plans for constituent assembly would have to be completed and an election held during last half of 1955, when Vietnamese will presumably be negotiating with Viet Minh on elections to be held under Geneva Accord in July 1956. Once constituent assembly has been formed, it would have to draft constitution dealing, among other matters, with thorny question of "permanent" form of government and "permanent" role of Bao Dai. Leaving aside question of whether constitution, once completed, should be submitted to people for ratification, constituent assembly, under normal procedures, would have to be succeeded by an elected legislative assembly, from which government would be formed. Since provisional assembly will apparently have been in process of formation for not less than six months, and that without holding a general election, it seems unrealistic to suppose that South Vietnam could create both a constituent and a legislative assembly, involving two general elections, draft a constitution and set up a government in its permanent form in time remaining before July 1956. Moreover, an attempt to crowd all these undertakings into next fifteen months, given inexperience and present lack of cohesiveness of south, would probably create more confusion and arouse more partisan differences and bitterness than South Vietnam can afford at a time when its best energies should be available to meet threat offered by negotiation with Viet Minh.

7. An additional point of substance in this connection is that if Vietnamese Government were engaged in formulation "permanent" political institutions while at same time it was negotiating with Viet Minh ostensibly to reunite the country, it might lay itself open to charges of duplicity which might carry weight with the powers represented at Geneva, particularly France and UK.

8. Accordingly, I believe we should advise Vietnamese not to attempt basic revision of their governmental institutions before July 1956. This might mean that formation of constituent assembly would have to be postponed until after date scheduled for elections under Geneva Accord. On the other hand, we should encourage Vietnamese in every way to strengthen government in its present form and to make provisional assembly as representative and effective as circumstances permit.

9. In discussions commencing this July, Vietnamese Government should propose and adhere to a formula approximately as follows: since North and South Vietnam will each have its own government in operation in July of 1956, elections at that time should have two objectives: to permit people express their will with respect to unification and to select delegates for convention which would determine form and conditions of union. North and South Vietnam must have equal representation in this convention. Conclusions of convention should be approved by two-thirds majority.

10. Consideration should also be given to introducing requirement that final act of convention would have to be approved separately by existing governments of North and South Vietnam. There are certain disadvantages to this latter proposal. It might be interpreted by the free world as a definite attempt on part of South Vietnam to block any union, or it might be accepted by Communists as a weapon in their hands to prevent union in the unlikely event convention should recommend a unified non-Communist government. An advantage of this proposal is that it would probably be completely unacceptable to Viet Minh and thus could serve as a definite "stopper" to any final action should [that?] prove necessary.

11. During convention, South Vietnamese could debate a whole series of issues pending development of situation which might lead to establishment of unified non-Communist government for all Vietnam. If latter should not be feasible discussions could continue until convention reached a state of inertia. Meanwhile, separate governments of North and South Vietnam would remain in operation.

12. In preparation for discussion to commence this July, US should firm up its position along lines of above formula, or some other specific proposal. We should strengthen present US Embassy staff in Saigon with one or two technical experts who have had experience in such matters, and who can be available to advise Vietnam Government.

13. In addition, I feel it would be well to secure services of some non-American technical expert, who might be hired by Vietnamese Government to work actively and openly with Vietnamese Delegation. This person preferably should be a national of one of the countries not signatory to Geneva Accord or Manila Pact.

14. Above ideas are sketched in broad outline only. Study forwarded by enclosure to Embassy despatch 297, March 17, discusses various aspects of this problem in more detail and may be useful supplement to excellent intelligence report number 6818 prepared by DRF.[4]

[Collins]

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[4] Not printed. (*Ibid.*, INR Files)

66. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, March 19, 1955—1:53 p.m.

4061. Secretary discussed question of elections in Vietnam with Foreign Minister Pearson at Ottawa on March 18.[2] Pearson said several months ago Canadians believed if free elections were held Vietminh would win sweeping victory. Now their officials in Vietnam say that because of disillusionment in north over communist regime and difficult economic conditions, genuinely free elections six months to one year hence might well be won Vietnamese Government.

Secretary agreed with above estimate. He said that in his recent Saigon visit he had urged Diem to accept principle of holding elections and concentrate on procedures necessary to insure genuinely free elections and on what elections would be for (Chief of State, constituent assembly, provincial assemblies, one of the two regimes, or what). Secretary said he believed Diem was disposed to begin discussions with Vietminh next July. He did not believe communists would agree to free elections particularly in the light of the evolution of events in the north. Therefore elections might never be held, but it was important that the reason be a communist refusal to permit free elections. Pearson said he fully agreed. He thought it important that Diem Government be willing to discuss elections with Vietminh, but he was not sure they would ever be held. Final result could well be a divided Vietnam similar to divided Korea and Germany.

He commented that role of International Commission in any such elections was far from clear. Adequate supervision would require a very large personnel which Canada could not supply but which he felt India might. He also made clear that Canada would like nothing better than to be able to shed responsibilities it had assumed with respect to Indochina because there seemed no end in sight and it imposed a heavy drain on their manpower resources. The Secretary said he felt it essential for Canada to continue playing its role on the Commission. He mentioned that "free" elections would require insurance against prior coercion and subsequent reprisal and not merely freedom for a moment. In this connection Secretary cited UK position re Germany at Berlin Conference.[3]

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[1] Source: Department of State, Central Files, 751G.00/3–1955. Secret. MacArthur and Dulles are indicated as drafting and clearing officers (by an unidentified initialing officer). Repeated to Vientiane, Phnom Penh, and Ottawa.

[2] Dulles was in Ottawa March 17–18 for talks with Canadian officials. (Princeton University Library, Dulles Papers, Dulles Appointment Book)

Dulles

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[3] Apparent reference to the Berlin Conference of Foreign Ministers, January 25–February 18, 1954.

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67. Telegram From the Chargé in France (Achilles) to the Department of State[1]

Paris, March 21, 1955—8 p.m.

4019. This is joint Embassy–USOM/F message. Reference: Deptel 4049 to Saigon, repeated 3270 to Paris, March 18.[2]

1. Re second paragraph reference telegram, we reported in Embtel 3926, March 16, repeated Saigon 569,[3] that we had heard nothing further from French as of that time re FY 1955 aid for FEC. One factor making for delay has been Delouvrier's departure from post Secretary General Interministerial Committee to join staff Coal-Steel Community. In discussion with Embassy officers on March 19, Roux (Foreign Office) referred to question FY 1955 aid to FEC but he added no details as to present French thinking this matter.

2. We will be interested in Saigon's comments re size FEC force level that could be financed by a 60 billion franc ($170 million) French budgetary contribution and 35 billion francs ($100 million) of US aid.[4] Washington will recall that last December (Embtel 2582, repeated Saigon 380, December 17, 1954[5]) French were using figures showing that minimum cost during CY 1955 of a force level falling progressively throughout the year to an estimated 20,000–30,000 men by end 1955 was in neighborhood 130 billion francs, i.e., leaving a gap of 35 billion francs (130 minus 95). Would appear that maintenance force level of 75,000 men throughout year would cost at least

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[1] Source: Department of State, Central Files, 751G.5–MSP/3–2155. Secret; Priority. Repeated for information priority to Saigon.

[2] In this telegram the Department asked for information on the French Government's intentions on its budget for the FEC. (*Ibid.*, 751G.00/3–1055)

[3] Not printed. (*Ibid.*, 751G.5–MSP/3–1655)

[4] In telegram 4046 from Saigon, March 23, Collins reported that MAAG Vietnam estimated that $270 million would be sufficient to maintain 75,000 troops of the FEC in Vietnam. Furthermore, he did not recommend increasing the U.S. offer of aid above $100 million as the French would not repatriate troops fast enough to reduce the FEC much below the 75,000 level by the end of 1955. (*Ibid.*, 751G.5–MSP/3–2355)

[5] Printed in *Foreign Relations*, 1952–1954, vol. XIII, Part 2, p. 2387.

as much as 130 billion francs, making original French cost estimate reasonably accurate.

3. From tactical point of view we do not believe it would be advisable for US to take initiative at this time to "confirm" $100 million offer of aid for FEC for CY 1955. Any approach now by US should, we feel, be limited to warning to French, as suggested in Embtel 3926, repeated Saigon 569, March 16, that in view restrictions imposed by Section 108 Appropriations Act 1955 and short time remaining before end fiscal year $100 million offer cannot be held open beyond some designated date—e.g., April 30, 1955, and that if agreement is to be reached on granting such aid, it is absolutely essential that French present their plans for CY 1955 as a whole to US in sufficient time before deadline to permit consideration on US side and negotiation of formal agreement. Re Roux's suggestion (Embtel 3997[6]) that FY 1955 aid be added to agenda proposed Indochina talks if matter not settled by that time, if US agrees to this suggestion we do not believe French should be allowed to interpret our assent as meaning we willing see question remain in suspense until latter part April.

4. Question of relationship between our finally agreeing to FY 1955 aid program for FEC and level of forces which French decide maintain in Indochina during current year is extremely delicate one. Even though considerable time has elapsed since last Franco-US discussion of plans for FEC in FY 1955, situation is, if anything, more confused than ever. On the one hand, in informal conversations with us, French officials have continued to maintain that if US aid not increased above $100 million, lack of adequate financial resources will make necessary sizable reduction FEC below 75,000 level during second half-year. Worsening of 1955 budget situation in other areas does not augur well for possible increases in FEC appropriations. On the other hand, there are some indications (see Embassy despatch 1969, March 17, and Embtel 4003, repeated Saigon 582, March 21[7]) of pressures on French Government to raise its own financial contribution in order support force recommended by French military opinion as necessary to protect French interests, lives and property in Indochina. We note and concur in Washington position that $100 million offer should not be raised. Question from our point of view is therefore whether conditioning our $100 million aid offer on maintenance given force level would lead French to decide upon higher force level if they were not otherwise prepared to do so. We do not believe that it would. At same time, such conditioning might

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[6] Dated March 19, not printed. (Department of State, Central Files, 396.1–WA/3–1955)

[7] Neither printed. (*Ibid.*, 851.10/3–1755 and 751G.00/3–2155, respectively)

have adverse political and psychological consequences. Thus we would think it undesirable both in France and in Indochina, to have it known (and the news would undoubtedly leak) that US was exerting financial pressure on France to maintain a specified FEC troop strength. We feel that to attach to our aid offer a condition re troop strength would present French with irresistible invitation in turn to apply pressure to US for increase in offer and to put blame on us if increase fails materialize, French refuse to close gap, and force level has to be lowered.

5. To summarize:

(a) In present circumstances there appears to us to be almost no possibility that $100 million aid offer could be used to insure that French maintain a 75,000-man FEC. Aid amount, large as it is in absolute terms, is small in terms French budgetary needs.

(b) On contrary, there is real possibility that even with $100 million in US aid French Government will plead it unable finance cost of a 75,000-man FEC.

(c) Washington should bear in mind, however, French will undoubtedly have to finance some additional costs themselves above 95 billion francs (assuming that US aid does not amount to more than $100 million), even if FEC force level is brought down to 20,000–30,000 men by end CY 1955.

Therefore, at this juncture we inclined believe best posture for US to maintain $100 million offer along lines described paragraph 3 above, i.e., attempt have French disclose to us soonest what they intend do re force level. Situation can then be reviewed in light their intentions.

Achilles

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68. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, March 21, 1955—3 p.m.

4012. 1. I called on Diem 18th, principally to discuss sect problem. I told him that I hoped problem would be solved politically rather than by use of force and advised him of progress of US-French plan to provide discharged sect forces with severance pay on surrender of their arms and some aid toward reestablishing selves in civil life.[2] Diem expressed interest in this plan but said he thought it was more theoretical than practical since he does not believe arms, or at least all arms, will be turned in. He said that if he had fifteen million piastres per month for three or four months available as secret fund for political use among sects, he could buy off enough sectarian dissidents to cripple sects militarily. I asked how he could be sure of buying permanent loyalty in this manner. He replied he was sure there were enough sectarian troops dissatisfied with their lot and their leaders and anxious to be relieved of their feudal bonds to insure the success of his plan. I agreed to discuss this manner with Diem further. (There is a certain validity to this approach. Will explore with others before taking action.)

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[1] Source: Department of State, Central Files, 751G.00/3–2155. Secret. Repeated for information to Paris. A memorandum of this conversation by Sturm is in Collins Papers, Vietnam Files, Series VII, S.

2. I asked Diem how he might renew contact with Bay Vien to determine what practicable terms of settlement might be acceptable to Binh Xuyen leader. I said I understood Minister for Plan Thoai might be suitable intermediary. (FonMin Do had made this suggestion to me although I did not tell Diem.) Diem replied that Bay Vien reacted unfavorably to Ministers, but that he did intend attempt renew contact in coming week through an old friend of Bay Vien whom he did not name. Diem went on to say that Bay Vien is ailing, very rich and disinclined to continue struggle for power, but is egged on by his political adviser Tai and police chief Sang, both of whom are enriching selves under his protection. Moreover, Diem said, Bay Vien has had bad news from Cannes that Bao Dai does not intend support sects, a fact which may further encourage him to relax his efforts against govt.

3. I asked Diem if he believed that Bao Dai was really serious in his rejection of sect overtures. He said he felt sure sects believed Bao Dai was sincere. Sixteenth Binh Xuyen had meeting on subject at which they decided undertake campaign of vilification against Bao Dai since he had declined support them.

4. I inquired of Diem what plans he had to neutralize Binh Xuyen and insure security of Saigon in event he decided withdraw control of police from Binh Xuyen. He said that to take over police with safety he would need have three or four battalions of National Army encamped within city. That force would be sufficient to deal with sporadic local outbreaks and insure general security. However National Army does not have installations sufficient to house so many troops. He has asked Ely to turn over certain barrack areas for this purpose, but no agreement has been reached. I informed Diem I had asked O'Daniel to organize a National Army tank company which could be stationed in city for some time and later incorporated

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[2] See Document 62.

in one of the combat divisions. (In this connection see report of my conversation with General Gambiez, Embtel 4011.[3])

5. I told Diem I hoped to meet with him and Ministers of Defense and Finance during coming week to complete military and civil budget estimates for present year. Diem agreed, saying budget for Center Vietnam is completed while that for South Vietnam should be finished in few days. He remarked that this would be first Vietnamese budget since war and first ever drawn up by Vietnamese.

6. Referring to my recent trip to Cambodia,[4] I said I was surprised to note that Associated States have not exchanged diplomatic representatives, since to do so rather than continue association through French would be clear demonstration of their independence. He replied that FonMin has contacted Laotians and Cambodians to that end, but that neither appear to be in any hurry. I said I would raise question in Laos in coming week. Diem said he had always had good relations with Norodom Sihanouk and that it was his policy to be friendly with Cambodians to keep them from turning away from port of Saigon.

7. Changing subject with some abruptness, Diem said that since turn over of territorial command of South Vietnam had been completed Feb 20 great progress had been made in establishing National Army control. Soai is now reduced to certain "islands of villages" and has been so weakened that Diem let him know indirectly that he could leave the govt whenever he wished. Diem believes Soai has no intention of resigning, however, and that he is led on to cause trouble by the Binh Xuyen. Meanwhile the Hoa Hao Ministers of Agriculture and National Economy are tending to break away from Soai's influence.

8. I said that current situation points up how much of governmental load Diem is bearing. He replied that he was thinking of naming a Vice PriMin but was hesitating between two men: [name and title deleted] and FonMin Do. Latter however is deficient in work capacity. I asked if Diem had no intention of appointing anyone from outside present govt. He replied that he did not so intend for the moment. He would like to name Ambassador to Japan Tho as Vice PriMin but that would mean open war with the Hoa Hao. I reminded Diem that when we had talked of Quat's entering the govt he had alleged that would cause troubles with the sects, but I wondered if we would have had any more trouble with sects than he now has. Diem made no reply. I asked Diem if he would consider

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[3] Dated March 21, not printed. (Department of State, Central Files, 751G.00/3–2155)

[4] According to telegram 3866 from Saigon, March 13, Collins was to visit Cambodia March 15–16. (*Ibid.*, 120.1551G/3–1355)

turning over Interior Ministry to new Vice PriMin. He replied that Interior is chiefly concerned with police and Sûreté and as long as Binh Xuyen control those services there would be no advantage in assigning Interior to Vice PriMin.

9. Referring further to his Cabinet, Diem said that the financial-economic group is functioning well and as a team. Other Cabinet groups however are dominated by the sects, and PriMin is obliged to step in repeatedly to rectify errors they have committed.

[Collins]

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69. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, March 22, 1955—10 p.m.

4042. Re Embtel 4038 rptd Paris 1070.[2] Significant and disquieting feature of sect declaration and motion (resolution) of March 21 is open association with united front of Generals Phuong and Trinh Minh The who have now signed both documents. For first time united front has managed to gain public adherence almost all significant elements sect groups. Only omissions of note are names of Hoa Hao dissidents General Nguyen Giac Ngo and Hoa Hao Colonel Hue.

Second significant feature of sect declaration is that time limit of five days is fixed for Diem to accede to sect demands and to set up new government which must meet approval of sects.

In conversations with Gambiez, De Rougement, and Wintrebert (Acting French High Commissioner to Vietnam) we have made following preliminary observations: Key to situation is Binh Xuyen leader Bay Vien, who is most intelligent, ruthless and aggressive of leaders. Although Binh Xuyen sect does not have large population base, it has certain armed forces strategically located in and about Saigon–Cholon and retains control police and security forces. Bay Vien's steadfast desire to obtain control of Interior Ministry, and with it internal administrative machinery of country, has long been known. His views in present development have not yet been clearly determined but it is believed that his price remains approximately the same.

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[1] Source: Department of State, Central Files, 751G.00/3–2255. Secret; Priority. Repeated for information to Paris.

[2] In this telegram, March 22, Collins summarized the text of the sects' declaration and resolution issued March 21, which constituted an ultimatum to Diem to replace his cabinet with one approved by the United Front of the sects. (*Ibid.*)

We believe that sects will for the time continue confine their activities to political sphere, but it is possible they have in mind attempting apply economic pressure to Diem government after expiration 5-day period by attempting impede movement food supplies from and through sect-held areas to Saigon. Gambiez has told me that should sects attempt institute economic blockade French, who still retain responsibility ultimate security Saigon–Cholon, will take action to prevent this. I suggested that he make this clear to both Diem and to sects and he agreed to do so. This should be element of comfort to Diem and should weigh heavily as deterring factor to such action by sects.

There is general belief that sects, having gone so far as to make demands on Diem in form of classic "ultimatum", will feel obliged take some actions within city itself. This would most likely be fomenting civil demonstrations against Diem government. Diem's brother Luyen has told Wintrebert that in such event Diem would attempt break up demonstrations, using two parachute battalions and one armored squadron at his disposal. Oriental psychology is such that Diem cannot allow demonstrations be "successful", meaning unopposed, and therefore must take action stop them.

Diem's first reaction to sect demands, according Wintrebert who saw him evening 21st, was one of discouragement and depression. Wintrebert says Diem was particularly struck by defection Trinh Minh The upon whom Prime Minister appears to have been counting heavily (and to whom he has been liberally providing funds). Diem told Wintrebert, as he had on previous occasion, that Trinh Minh The was going along with sects only "to keep an eye on them", but Wintrebert says this time Diem himself seemed unconvinced by his own explanation.

In summary: (a) Adherence of Phuong and Trinh Minh The to "United Front" greatly weakens Diem's position and adds strength to that of sects. (b) Sects will likely continue pressure on political plane for next few days but incidents may be expected in sect areas as well as possible attempts at civil demonstrations within Saigon. (c) Possible attempt at economic blockade Saigon should be deterred by knowledge French will take action against such program. (d) While they will go to great lengths to avoid situation involving bloodshed or in which they will find themselves having take action against Vietnamese, French acknowledge ultimate responsibility preservation order within Saigon–Cholon. (e) Diem cannot bow to demands of sects and accept their terms. Any government based on temporary and tenuous grouping of sects could scarcely be expected long endure, nor would it merit US support and confidence. (f) Diem's only immediate course of action would appear to be to decline demands of sects but enter negotiations.

[Collins]

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70. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, March 23, 1955—2 p.m.

4074. 1. To make sure sect leaders had no doubts as to U.S. support of Diem and to try to ascertain specific sect demands, I invited Cao Dai Generals Phuong and Trinh Minh The to call on me evening 22. Phuong opened conversation with statement to effect Diem had made definite promises with respect to supporting Cao Dai troops, which he failed to keep. Specifically, he said, Diem had promised him 6 million piastres monthly, 5 million from defense funds and 1 million from secret funds. He said he still wanted Diem to remain as Prime Minister but that he was desperately trying to find means of supporting his troops. I replied to this that the U.S. would support integration of certain Cao Dai troops into National Army unless these forces were used against government. I asked what sect leaders really wished, since their desires were not clear from the manifesto. Phuong replied that Hoa Hao and Binh Xuyen wished maintain insecurity in country, so that they might continue to profit therefrom. I asked why, if this was case, Phuong and The joined them in signing manifesto. Phuong replied he thought himself abandoned by Diem and U.S. Diem, he added, is trying to form and develop political party to destroy other parties and the sects. The Hoa Hao and Binh Xuyen are supported by "others", not named, while Cao Dai troops are ill fed and equipped. I commented that Phuong has been financially aided by Diem and that U.S. will continue to give certain aid through established Vietnamese channels to integrated forces which support Diem and that Cao Dai will profit therefrom. Changing his tack somewhat, Phuong said that he had signed manifesto because of Diem's political blunders. Diem, he alleged, pits religion (Catholic) against religion; sect vs sect. People from Center Viet Nam have come to Phuong to complain of the activities of Ngo Dinh Can's party of national revolution, "Catholic party designed to establish a family dictatorship." I replied that Diem had guaranteed religious liberty and that U.S. would support no other policy. Obviously no Catholic troops were in position to attack the Cao Dai and assured him U.S. would never support a Catholic army. Phuong added he wants national unity and is grateful for U.S. aid to that end. Diem, he said, is not acting in interests of unity and he signed manifesto to warn Diem to abandon his policy.

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[1] Source: Department of State, Central Files, 751G.00/3–2355. Secret. Repeated for information to Paris.

2. Turning to General The, I said that he had rallied to the government "unconditionally", had been handsomely paid, and was now in the National Army. I mentioned that all this money came from U.S. sources, and asked if he expected U.S. to pay his forces if government were overthrown. The replied one might be surprised to see his signature on manifesto but it was a strategem to gain admittance to meeting of sects' leaders. His purpose in attending meetings is to keep leaders from adopting extreme measures. He said some leaders wanted to eliminate Diem entirely but he had succeeded in softening manifesto to permit Diem remain in office.

3. To both Phuong and The I said that our objective was to help the country, including sects, and we were studying a solution to sect problem with French and Diem. I pointed out that if the sects acted against the government there would be no solution and in any event, none was possible in five days. I suggested that if Phuong and The wished to help Viet Nam they should advise their fellow sect leaders not to take any action in five days. I added that if they should succeed in overthrowing Diem, U.S. might very well withdraw and reminded them they could expect no aid from Ho Chi Minh.

4. This conversation left me with a sense of unreality which marks so many situations here. Discussing this problem with these generals was like trying to reason with two stubborn four year old children. They were either lying very ineptly or they are alarmingly stupid considering the influence and power they wield. In most instances their accusations were without foundation and their arguments without logic. Trying to determine from them exactly what they wanted was completely futile. I am convinced that their evasive answers to my questions were clumsy attempts to cover selfish motives of sect leaders. Only advantage in this conversation was that it quite clearly indicated that sects don't trust each other and possibly will not hang together very long.

[Collins]

71. Telegram From the Director of the Office of Philippine and Southeast Asian Affairs (Young) to the Department of State[1]

Paris, March 23, 1955—8 p.m.

4074. Regarding sect problem in Viet Nam, I had several conversations today with French officials, including private meetings with General Ely and La Forest, Minister for Associated States. French (1) urge joint Franco-United States approach to Bao Dai to play for time and mediate modus vivendi; (2) desire quick formation national union government broadly representative various groups, perhaps as pushed by Bao Dai; and (3) want to avoid at any cost Diem-sect affair turning into armed conflict. French officials say they are convinced Diem cannot alone settle sect problem and needs assist from Bao Dai and other elements in Viet Nam. General Ely told me he fully shares these views.

He concurred in summary Collins telegram to Department 4042, repeated information Paris 1073.[2] I told him General Collins last Thursday[3] had underlined his belief Diem cannot afford give in to sect terms or threats since authority of government in Viet Nam at stake, and that Bao Dai must exert positive influence not just passive attitude. Ely planning arrive Saigon Sunday.[4] Embassy officers and I emphasize any joint intervention Viet Nam should be done by Generals Collins and Ely.

I have impression French may tend underrate capabilities Diem and other anti-sect elements, overplay role Bao Dai, and treat Diem and sect leaders as two parties on same plane in dispute. These factors need careful consideration if we and French are to move effectively in this affair. To counteract these views I stressed necessity uphold Diem's authority. Roux showed us telegram from Daridan reporting joint discussion with Collins which gave joint evaluation Diem no longer can count on support from National Army, to the same extent.

[Young]

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[1] Source: Department of State, Central Files, 751G.00/3–2355. Secret; Priority. Repeated to Saigon priority for Collins from Young. Earlier in the week, Young had been in Saigon for discussions with Collins and the Embassy staff. On his return trip to Washington, he stopped in Paris for talks with the Embassy staff on problems of mutual concern. (Telegram 4009 from Saigon, March 20; *ibid.*, 751G.00/3–2055)

[2] Document 69.

[3] March 17.

[4] March 27.

72. Memorandum of a Conversation Between the Special Representative in Vietnam (Collins) and Bishop Ngo Dinh Thuc, Saigon, March 25, 1955[1]

1. Ngo Dinh Thuc, Bishop of Vinh-Long and brother of Prime Minister Diem, called on Ambassador Collins at the latter's invitation the evening of March 25. Ambassador Collins told Mgr. Thuc that he wished to talk to him confidentially, not as a Bishop but as the brother of the Prime Minister; he added that he himself was speaking as a friend of Vietnam and Mr. Diem.

2. Ambassador Collins told the Bishop that he wished to discuss with him problems relating to two of the Prime Minister's brothers, Nhu and Can. He said that the Prime Minister was widely criticized for relying on his family in political matters rather than on his Cabinet and members of his administration. Nhu, in particular since he is always near the Prime Minister, is held responsible for actions Diem takes, or fails to take. Ambassador Collins said he believed it would be advantageous to Diem and to the country if Nhu were to be sent abroad on a mission, perhaps as Ambassador.

3. Bishop Thuc said he was aware of this criticism. He added that when Diem returned to Vietnam in 1954 he had relied heavily on Nhu for the formation of his first Cabinet, since he knew hardly anyone. However, after the first month or two Diem ceased to rely on Nhu and now neither consults him nor listens to his advice. In fact, Diem has on several occasions reproached Nhu for having introduced to him men who turned out to be worthless. For example, Diem has recently chided Nhu for having persuaded him that Trinh Minh The, with whom Nhu has been very friendly, was worthy of trust.

4. Thuc went on to say that Diem urged Nhu last fall to attend a UNESCO meeting at Montevideo, since he was run down and the change would have been good for him, but Nhu refused, saying he could not leave as long as Diem was under attack. By staying, however, Nhu has drawn on himself all the criticism which Diem's enemies did not quite dare vent on the Prime Minister.

5. Ambassador Collins said that if Diem does not in fact rely on Nhu, that is an even stronger reason for his leaving, since by his presence he is harming the Prime Minister in the eyes of the public. He went on to say that in Center Vietnam Ngo Dinh Can is popularly believed to be more powerful than the Government Delegate Duyen. Can is also accused of organizing a Catholic party and Army. While Ambassador Collins does not believe these charges, he does

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[1] Source: Collins Papers, Vietnam File, Series VII, T. Secret. Drafted by Sturm on March 26.

think that Can's presence and activities in the Center lay him open to criticism which redounds adversely on the Prime Minister. He added that it would be a good thing if Can were sent to the U.S. for a few months to be treated for the heart condition from which he is said to suffer. We could arrange such a trip easily. Bishop Thuc replied that Diem's warmest supporters in the Center are non-Catholics. However, it is true that Can organized the Center for his brother's return in 1954, and it is also true that he has a political party.

6. As a final remark to Bishop Thuc, Ambassador Collins said that he hoped no further Catholic dignitaries would visit Vietnam for at least six months. Also, the religious banners hung about the streets near the Palace lend credence to the criticism that Diem is basing his policy on the Catholic Church. Thuc said that Cardinal Gilroy's visit had been proposed by R.G. Casey,[2] and that the banners had been produced by the seminarists of [name deleted], and not requested by Diem.

7. Bishop Thuc said he would see Diem on his return from Hue March 27 or 28 and would discuss these matters with him.

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[2] Richard Gardiner Casey, Australian Foreign Minister.

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73. Telegram From the Secretary of State to the Embassy in France[1]

Washington, March 25, 1955—7:55 p.m.

3384. Paris 4107 repeated Saigon 600.[2] French Minister Millet called morning 25th to discuss reference telegram.

We told him had not yet heard from Collins and wished reserve our formal views until receiving his comments.

As preliminary reaction we felt proposed démarche had certain defects.

Seemed hardly necessary urge Diem get in contact with sects since he had repeatedly invited them to meet with him.

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[1] Source: Department of State, Central Files, 751G.00/3–2455. Secret; Priority. Drafted by Hoey and signed by Robertson. Also sent to Saigon.

[2] In this telegram, March 24, Achilles reported on a meeting with French officials in which the French submitted for American consideration a proposed text of a Franco-American démarche to Diem and the sects. Ely and Collins were to encourage a meeting between the sects and Diem to work out a peaceful solution to the problem of integration of the sects into the National Government. (*Ibid.*)

Tenor of démarche implied an equality of status between government and sects. Fact is sects are rebels motivated by selfish considerations acting against legal government.

We felt emphasis should be on a strong joint French-U.S. warning to sects by Collins and Ely. In such warning we should not give impression we would help them gain their objectives as implied in proposed text. Instead they should be informed bluntly that US and France opposed their threatened violent action.

French should inform sects that FEC at request Diem Government would prevent movement of sect forces into Saigon.[3]

Above points conveyed Millet as illustrative our initial reaction and we would reply more fully when Collins' views known here.

Believe preferable above not be passed to French since already transmitted by Millet.

Dulles

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[3] In telegram 4151 from Paris, March 26, Achilles reminded the Department that Ely had categorically stated several times that the FEC would not intervene on behalf of the Diem government or the sects in the current Saigon crisis. Ely and the French Government only envisioned intervention of the FEC to protect the lives and property of French and foreign nationals. (*Ibid.*, 751G.00/3–2655)

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74. Telegram From the Director of the Office of Philippine and Southeast Asian Affairs (Young) to the Department of State[1]

Paris, March 25, 1955—1 p.m.

4116. Prime Minister Faure at lunch yesterday stressed following points to Achilles and me as regards Franco-American relations IC and emphasized he, La Forest and members his government intend work for these objectives:

(1) Policy French Government to work 100 percent with US in IC and considers closest Franco-American cooperation IC not only important IC states but essential to Free World.

(2) French Government will not play "double game" in Vietnam, i.e. follow one policy in North Vietnam and another in South. Faure stressed French effort directed toward building up South. He said he intends maintain Sainteny as French delegate general North Vietnam in view Sainteny's entree with Viet Minh leaders; however, Faure opposed to any political arrangements with Viet Minh as well as

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[1] Source: Department of State, Central Files, 751G.00/3–2555. Secret. Repeated for information to Saigon, Phnom Penh, Hanoi, and Vientiane.

French Government participation in proposed Franco-Viet Minh mixed companies.

Faure underlined, on other hand, that US must endeavor understand French Parliamentary sensitivity on subject IC and must appreciate position French Government this regard.

[Young]

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75. Memorandum From the Chief of the National Security Division of the Training Relations and Instruction Mission (Lansdale) to the Special Representative in Vietnam (Collins)[1]

Saigon, March 27, 1955.

SUBJECT

Highlights of Conversation, President Diem, 26 March

1. President Diem asked me to see him last night. Did so, accompanied by Lt. Redick as interpreter. Noted that the Palace was on alert security, with additional troops patrolling the Palace grounds and inside the gates. The President himself looked sleepy (he said he had not slept the night before), but he was cheerful. He joked about reports that the Binh Xuyen had mortars trained on the Palace and we might be shelled at any moment.

2. He opened the conversation by relating at length the events of his 25 March meeting with Lam Thanh Nguyen and representatives of other sect leaders. He noted that they had a program about 3-pages long, which they waved in the air but did not show him, stating that he would have to accept the principle of changing his government first before they would reveal what their program was. He said that he told them that the "principle" was as old as man, that a leader could dismiss anyone for dishonesty or incompetency. He told them finally that he would see the principal leaders who had signed the manifesto, not their representatives, since the principals were the ones who had noted that the situation was "grave". They asked what they could tell the press. The President finally told them that they could say that he accepted the principle of having further interviews with the sect Front.

3. The President said that troop morale was high among troops in the city, that officers were telling him that now was the time to go

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[1] Source: Collins Papers, Vietnam File, Series VII, L. Secret.

after the Binh Xuyen, that people would be happy at this action. At 1215 on 26 March, he sent a directive to Chief of Police Sang and Delegate to the South Lam placing all present police personnel directly under the Prefecture. He said he would soon order the dissolution of Binh Xuyen shock troops, and in three or four days replace Sang with another Chief of Police.

4. I told the President that this plan was not well thought out, politically, since he was not that certain yet of the Hoa Hao and the Cao Dai. I told him that he should place himself as the leader of the people of the nation, with the people backing him, prior to any such moves. I suggested that he do this by announcing that his police move had been made because the seat of government, Saigon–Cholon, was a trust for all the people of the nation, and that its safety should not be in the hands of any one individual or small organization, but in the hands of the legal government.

5. Also, I pointed out that the sect manifesto deadline had passed. In effect, the President had won although the sects were threatening to create disorder the coming week. His wisest move would be to announce a meeting of all sect leaders with them [*him*?] in either a week or ten days, telling the people that the sects had not given him a program and that he was preparing a program to present to the sects and all the people, concerning the national welfare (including sect folks) which he would have ready by the sect meeting.

6. The President asked me what his program should be. So, I asked him what his program was. He spoke of demobilization, pay for troops, settling on the land, the problems of inflation, and then asked for ideas. I said that I would like to take this up with the Ambassador and some other folks, was sure that all of us could come up with some good advice, if he really wanted it. He said he did. (I was thinking of the Sect Study to be presented to him, which should answer this.)

7. The President mentioned that General Jacquot had assured him that he would provide sufficient French troops for the protection of the city in case of necessity.

8. The President mentioned Ho Thong Minh. I told him that Minh was feeling badly about the President's apparent lack of trust in him, that Minh was a young man who might be a bit brash at times, but was the sort of younger and energetic person the President should make use of, and that the President should call in Minh, tell him to cheer up, that the President was counting on him. The President agreed, said he would do this.

E.G. Lansdale
Edward G. Lansdale
Colonel
USAF

76. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, March 28, 1955—5:41 p.m.

4197. For Collins. Further to Young's comments in Paris 4074 of Department repeated Saigon 595.[2] Young's conversations March 23 and 24 with French officials including Prime Minister further confirm impressions contained final paragraph reftel. French overestimate sect capabilities and tend believe sect leaders have relatively more power than at Diem's disposal. As of last week French inclined doubt solidity national army behind Diem or ability national army battalions move effectively against Binh Xuyen or sect military groups. French officials left Young with impression they are not trying to maneuver Diem out of office but are willing now to support his government in principle. They do intensely wish to see it strengthened with effective appointments. Ely and Roux mentioned Quat in particular.

However, last week French officials put Diem and sect leaders on same plane because of French evaluation of relative power positions. For this reason they also all agreed resort to Bao Dai was essential to settle dispute and prevent armed conflict at all costs. Top French officials and also French senators interested in Indochina with whom Young talked at Faure's lunch Thursday[3] all suggested some sort of "presidium" or national council including sects as device to compromise sect–Diem feud and also increse representative character of government of Diem.

In several conversations with Ely present as well as with him alone Young tried his best to emphasize

1) Absolute necessity of upholding authority central government and Prime Minister.

2) Sect leaders are in fact rebels and should not be treated or given assistance on a par with Diem. (French admitted this in principle but insisted realities of sect military power gave them whip hand over Diem.)

3) Personally felt time for joint or individual French-US démarche to Bao Dai very premature.

4) Pointed out Diem had many cards to play and probably had more support in Viet-Nam in general as well as against unpopular sect leaders than French seemed willing to concede.

5) Concurred necessity bringing more representative as well as competent nationalist figures into cabinet under Diem which you

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[1] Source: Department of State, Central Files, 751G.00/3–2355. Secret. Drafted by Young and cleared by Sebald. Repeated for information to Paris.

[2] Document 71.

[3] March 24; for a report of part of the conversation, see telegram 4116, Document 74.

and General Ely have been trying for so long to persuade Diem to do.

6) Made no comments on presidium idea except to say it would not add much until sect affair cleaned up and authority central government established.

Based only on several conversations during two days in Paris, left with impression French officials now in charge Indochina affairs much more frank, open and closer to our viewpoints than heretofore, although there remain above differences of emphasis. While there may be some reservations in background French thinking not revealed during these conversations, Young's impression is there is firmer agreement on overall objective in three Associated States and on stronger French intention work closely with us there.

Dulles

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77. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, March 28, 1955—6 p.m.

4159. 1. I called on Ely 27th to review developments. Ely said he had been rendered uneasy by telegrams received in Paris and although he had seen Daridan and other subordinates since returning, he did not have a very clear picture of local situation. I told Ely that while I did not discount seriousness of situation, I had never viewed it as seriously as the French. Moreover, press accounts have tended to exaggerate crisis out of all proportions. Ely said that press had caused difficulties for him likewise, since at time disturbing dispatches began to appear he was in Paris telling government that situation was improving.

2. I reviewed events leading to present crisis, and said I thought Diem in past two days had put sects on the defensive psychologically and politically. Some of our newsmen have been to see Ba Cut in Southwest Cochin China and now have some appreciation of what a pirate he, for one, is. I said I had advised Diem to continue to express willingness to carry on discussions with sect front. Diem in fact has handled himself well so far but should not be allowed to become over-confident. I added I was disturbed that Vietnamese Army morale might have been shaken by the present reduction in force.

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[1] Source: Department of State, Central Files, 751G.00/3–2855. Secret. Repeated for information to Paris.

On the other hand, sect troops are no less uncertain of their own future and so may not be eager to move against army.

3. With respect to position of the FEC, Ely said he was disturbed by press accounts which tend to indicate FEC is not taking position in present crisis and accordingly is useless. He said that in his view Binh Xuyen had to be handled with great care otherwise there was danger of their going into Viet Minh underground, where they were 10 years ago. I asked Ely what he thought govt should do if Binh Xuyen forced its hand. He replied that govt should call on Bao Dai as Chief of State to intervene. He said without going into larger question of ultimate role of Bao Dai, present situation which finds chief of govt and chief of state 12,000 kilometers apart at time of crisis is inadmissible. I said I thought govt would not call upon Bao Dai, but on contrary would take action against Binh Xuyen if necessary. If that should develop, I asked Ely, would the FEC prevent Binh Xuyen from being reinforced by troops moving in from outside Saigon. Ely said that I was asking whether FEC would fight with Binh Xuyen. I said this was not my question; I was asking rather if fighting broke out in Saigon whether French would let reinforcements enter. Ely said he found this question rather theoretical and could not undertake to answer it until he knew how political situation was likely to evolve. He continued by asking whether I thought FEC should fire on any troops attempting enter city. I reminded Ely that last September FEC blocked Cao Dai forces which were attempting enter Saigon tc support govt against General Hinh. At that time it was not necessary to fire on would-be reinforcements, nor in all likelihood would that be necessary now. Ely said he would endeavor to keep out his reinforcements, but would not enter into direct conflict with Binh Xuyen. I countered by saying that if Binh Xuyen were reinforced, FEC might be obliged to intervene within city. In that case would it not be better to keep out reinforcements entirely and warn Bay Vien in advance? I said I was convinced that if Bay Vien knew he could not be reinforced, he would not act. Ely said it might be necessary for him to take a strong position, but he was concerned that nothing should be done to cause Bay Vien to lose face. If latter felt he could avoid losing face only by military action, he would probably be tempted to take such action. He said that he hoped and thought he could restrain Bay Vien. Exactly how this could be done would depend upon evolution of political situation. I said I was much less concerned with Bay Vien's loss of face than that govt should lose face. I felt sure govt would not bow to Bay Vien; [garble] it was dangerous to allow reinforcements to enter city, and that if Bay Vien took the initiative, govt would react. Ely said he believed situation was more complicated than that and could not be resolved simply by preventing reinforcements from entering Saigon.

4. (Ely appeared be not fully aware of precautionary measures already taken by Jacquot, who told me 26th that he was guarding road from Saigon to Bien Hoa and from Bien Hoa to Cap St. Jacques. Jacquot said he was taking over larger share of guard duty than Vietnamese have anticipated. He had told Defense Minister Minh that latter did not have to concern himself with assuring protection east of Donai River. Jacquot told me also he was keeping an eye on concentrations of empty junks on waterways which were more likely to be used than roads to transport sect reinforcements into Saigon. Additionally, Jacquot told me he had relieved Vietnamese of responsibility for guarding large sectors of Saigon. I did not mention any of these details to Ely and do not know how he will react when he learns of them. I am hopeful, however, of being able to soften his position that FEC should be used only for direct protection of French property and lives.)

5. I said there appeared to me to be tendency in Paris to consider sects and govt as on a par. In US view sects are rebels against legal govt. Ely said that this was not the view in Paris. However, sects have military force, perhaps relatively more than the govt, and will probably use it rather than lose face. However, he said he did not believe situation had yet become that serious.

6. Ely asked me how I thought the situation was likely to develop. I said there had been no incidents yet. I had urged Diem to keep door open, as he is doing. The sects are not really united. Accordingly, I believed there would be negotiations, but no violence during next few days.

7. Ely agreed with that analysis but went on to say that we must face up to problem of how to treat basic question of what place there is in Vietnamese society for the sects. In this connection Diem has not followed our advice (1) to broaden his govt, and (2) to proceed cautiously in dealing with sects. I said I agreed with point (1), but not with point (2), and felt lack of prudence had been shown by sects rather than Diem. Diem has said he is willing to change his govt but not to accept dictation from sects. Ely agreed that Diem's present attitude with respect to sects is a good one.

8. I told Ely that US-French group studying possible solution of sect problem (Embtel 4011[2]) has completed its work and has proposal to make to Ely and me. After this proposal has been presented and agreed to by us, I suggested it be communicated to Diem and elected ministers. If accepted by Vietnamese Govt Diem should present it to sect leaders. However, this is a program designed principally to help sect troopers when demobilized not the leaders. Big problem remains of finding some admissible advantages capable of tempting sect lead-

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[2] Dated March 21, not printed. (*Ibid.*, 751G.00/3–2155)

ers. Ely said he thought sect leaders already have too much money to be tempted by that means, and moreover that to remove 2 or 3 leaders would not solve sect problem. I asked Ely what suggestions he had in this regard. He said he could think of nothing except what Diem had already done, namely to leave door open for discussion. I asked what these talks should be about and whether we should advise Diem in respect to them. Ely said he thought it better to let these discussions develop naturally.

9. Ely said he believed long range sect problem could be solved only by return of Bao Dai under conditions carefully stipulated in advance by French and US Govts. I asked how precisely this would solve sect problem. Ely said he did not know but that he believed Bao Dai could get the sects to accept many things which no one else could impose on them. I said I doubted that Diem would remain in office if Bao Dai returned, unless latter returned as constitutional monarch in accordance with terms of a constitution.

10. I asked Ely his view of the joint démarche proposed Paris tel to Dept 4107 rptd Saigon 600,[3] saying I thought it contained nothing new except one remark to be addressed to sects regarding their unacceptability to head a govt. Ely said that since neither of us had received instructions, discussion of this matter could be postponed until later. I had the impression Ely is not keen to go ahead with joint démarche.

11. With reference to his trip to Paris, Ely made following points:

(a) He believes that govt policy of support for South Vietnam will be clearer. He said he did not wish to accuse Mendes govt of playing a double game with respect to Vietnam. However, since Mendes govt was so often accused of that, Faure govt is determined to act so that it will not be subjected to same accusation.

(b) Ely has received French Govt agreement that when FEC has raised [*reached*?] 75,000 level June 1, it will remain at that strength for some period, during which plans will be worked out for ultimate disposition of FEC.

(c) Certain funds were made available to Ely for economic purposes, including refugee relief.

12. Ely said that removal of Charbonnages equipment had been completed 26th. I congratulated him on this and said it was owing to him that program had succeeded. I went on to say that I felt things were not going well for Communists in north and therefore felt we should not allow ourselves to become too discouraged with regard to situation in south. Ely cordially agreed with this analysis.

[Collins]

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[3] See footnote 2, Document 73.

78. Memorandum of a Conversation Between the Special Representative in Vietnam (Collins) and the French Commissioner-General in Vietnam (Ely), Saigon, March 29, 1955[1]

1. Following the presentation of the TRIM study on sects forces,[2] Ambassador Collins remained at General Ely's invitation to continue a conversation held on 27 March.[3] General Ely said that in Sunday's conversation he had the impression that he and Ambassador Collins were following the same line but that nevertheless there were certain points of possible difference which should be explored.

2. With regard to the sects, General Ely said they are an anachronistic survival and should be integrated into the society. He said, however, that Ambassador Collins saw the sects as anarchic groups in a normal society, whereas he sees them as highly organized bodies in an anarchic society. General Ely went on to say that the sects constitute the strongest anti-Viet Minh element in the South and that if elections were held under their jurisdiction, the Government could be certain of a 100% victory. However, if the sects are driven into the maquis by precipitate Government action, they risk being absorbed by the Viet Minh. In fact, Ba Cut and Trinh Minh The are already heavily infiltrated by Viet Minh elements. Ambassador Collins said that he believes his view of the sects was not substantially different from General Ely's.

3. General Ely said that so long as there is no National Assembly Bao Dai must continue to play a part in Viet Nam. At the present he is at Cannes pulling wires. We should make it our business to insure that he is pulling wires in our behalf. He said he saw no necessary difficulties as between Bao Dai and Diem, so long as they were working in the same direction. Ambassador Collins said that there was no personal difference between him and General Ely with respect to Bao Dao [*Dai*]. But US public and congressional opinion is strongly against the Chief of State. General Ely interposed the remark that the French public opinion is also against Bao Dai, but he added that the latter would continue to play a part so long as there was no National Assembly. Ambassador Collins said that he had no way of judging exactly what Vietnamese opinion was regarding Bao Dai. Ely replied that there is no way of knowing. Moreover public opinion is not so important here as in the West, and can be created.

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[1] Source: Collins Papers, Vietnam File, Series VIII, Memos for Record. Secret. Drafted by Sturm, who initialed it.

[2] A memorandum of this portion of the conversation, which included also General Gambiez and the U.S.-French TRIM Study Group headed by Lansdale, is *ibid.*, Series VII, D.

[3] See telegram 4159, *supra*.

Ambassador Collins asked what Ely thought Diem's view of Bao Dai was. Ely replied that Diem hates Bao Dai but would agree to his intervention if that were the only solution.

4. General Ely went on to say that as the situation has developed, we are now in a political impasse. It is no longer enough to deal with the superficial aspects of the problem. The problem must be attacked at its roots. Use of force, he added, is the worst possible solution. Since it is in an impasse, there seems to be no alternative for the Government except to turn to the source of legal authority. He said he felt that Diem could now take the initiative and undertake to set up conversations between *representatives* of the Government on the one hand and of the sects on the other. Representatives will be able to reach agreement on certain points, but may have to refer others to Bao Dai. If we, French and Americans, were back of Bao Dai, and helping shape his decisions, this would be a workable system. It would not necessarily involve Bao Dai's return to Viet Nam. Ambassador Collins said that there seemed to be merit in Ely's proposal and asked if the TRIM study would not be useful as the basis for one of these conversations. General Ely replied that it was exactly this sort of precise point which he had in mind for discussion. Ambassador Collins said that except for the question of Bao Dai's serving as an arbiter, on which he reserved judgment, he agreed with Ely's proposal. He went on to say that if this proposal was adopted, he would have to make it very clear to the Department of State that he was not favoring negotiations between the sects and the Government as between two equal powers. Ely replied that the situation is not dissimilar to the strikes in the Western countries, where the Government meets with strikers' representatives without impairing its sovereignty. Ambassador Collins objected that the Government was under an ultimatum. General Ely said that the ultimatum had expired without incident and that the Government should move quickly so as to retain its freedom of action and not be subjected to a renewed threat. Ambassador Collins asked General Ely if he did not take seriously the threats of blockade and violence which are being broadcast by radio. Ely said he did not take these seriously, but felt that the Government should move quickly before these threats took shape. Ambassador Collins agreed but said he wished to have more time to consider the question of using Bao Dai. General Ely said that somebody would have to arbitrate. It was agreed that they would discuss this matter at 3 p.m. on 29 March.[4]

5. Ambassador Collins asked Ely to report the highlights of his conversation of March 28 with President Diem. General Ely replied that he had reported on his trip to France and that Diem appeared

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[4] See Document 80.

satisfied with the present trend of French policy toward Viet Nam. Diem recounted his present difficulties. Ely stated, without going into the details stated above, that he had suggested to Diem that conversations should be undertaken between the sects and the Government. Ambassador Collins asked if he had proposed the use of representatives. General Ely said he had, explaining that Diem and the sects' leaders were not on the same intellectual plane and accordingly possibly could not reach a meeting of the minds. Ambassador Collins asked if conversations were held by subordinates, whether there was any guarantee that these subordinates would be on a higher plane. Ely replied that the sects' leaders did have political advisors who are somewhat better than they. Ambassador Collins asked who should represent Diem. Ely said that he did not know except that he might propose one minister and one other person from Diem's own office. Ely said that he had also told Diem that the Prime Minister should do everything possible to get Bao Dai to work on his side.

6. Ambassador Collins said he was convinced that Bao Dai should not return at the present time, since this would probably render negotiations impossible. The sects' leaders would turn immediately to Bao Dai, who would become the focal point of endless intrigue. General Ely repeated that his plan did not necessarily entail Bao Dai's return, only that Bao Dai should be induced to work with the French and Americans. Ambassador Collins said this would involve a joint French-U.S. contact with Bao Dai in France. Ely replied that it would. He added that if Bao Dai were to return in the next few days, that would solve nothing, since he is not adequately briefed. If it were agreed that he should come at a later time, that should be only under the strictest conditions imposed by France and the U.S.

7. Ambassador Collins asked General Ely if Diem had indicated what he meant when he said he was willing to eliminate from his Cabinet certain ministers favorable to him. Ely said that he had asked the question but the answer was not clear. Diem had said something about forming a Government of technicians. Ambassador Collins said we must solve this problem of how the sects are to participate in the Government. He asked General Ely to consider this point so that they could discuss it later. General Ely said that the sects' ministers have no idea of their jobs and it might be desirable that sect representation in the Government take the form of an advisory council without executive responsibility.

79. Telegram From the Special Representative in Vietnám (Collins) to the Department of State[1]

Saigon, March 29, 1955—8 p.m.

4192. 1. According to word given to O'Daniel by Vietnamese army officers 1300 March 29, Defense Minister Minh[2] has tendered resignation. I at once invited Minh to call on me and he told me following story: Morning March 29, Minh and Chief of Staff Ty were summoned to Palace by Diem and informed that effective at once Colonel Nguyen Ngoc Le was to be named Chief of the National Police and Sûreté. Moreover, at 1330 National Army troops would take over Sûreté headquarters in heart of Saigon, guarded by Binh Xuyen commandos. In view seriousness this move, Minh advised President to delay action until plan had been approved by Cabinet excluding Sect members. Diem said that he had thought matter through and was determined to act, and had full powers to do so. Minh said under circumstances he had no alternative but to resign. At President's invitation he thereupon sat down and wrote out resignation.

2. I told Minh that I fully sympathized with his point of view, and in his position would have done exactly same thing. He said in view of national interest and seriousness of local situation [*sic*]. I urged him reconsider to the extent of withdrawing resignation temporarily. However, Diem had accepted resignation and would have to ask him (Minh) to reconsider. I told Minh that I would strongly urge President to do so, but advised Minh that he should accept only on condition that sound working relations were established between Prime Minister and himself. Minh agreed to consider seriously.

3. De Rougemont also called to see me at Ely's request and reported following: Diem had summoned Wintrebert to inform him of proposed action. Wintrebert at once reported to Ely who sent Wintrebert back to Diem accompanied by General Jacquot to urge that Nationalist troops not attempt to take over police and Sûreté headquarters and to emphasize serious view Ely took of proposed action. In course of discussion Diem shuttled between Wintrebert and Jacquot on the one hand, and Brother Luyen off stage on the other. Both Frenchmen were convinced that he, Luyen, was prime mover in this operation. However, Wintrebert and Jacquot secured Diem's agreement not to move on police headquarters. (It is not yet clear, however, whether order naming Colonel Le as Director National Police and Sûreté has been implemented.)

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[1] Source: Department of State, Central Files, 751G.00/3–2955. Secret; Priority. Repeated for information to Paris.

[2] Ho Thong Minh.

4. Ely was to have seen Brother Luyen at 1500 and Diem immediately thereafter. Following this I will see Ely and proceed forthwith to see Diem. Ely's intention was to speak in most serious terms to Diem, as I intend to do.

[Collins]

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80. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, March 30, 1955—1 a.m.

4194. Embassy telegram 4192 repeated Paris 1117.[2]

1. I called on Ely 1630 29 March to hear his account of his conversation with Diem. Ely said that Diem had finally agreed not to use force in taking over headquarters of national police and Sûreté. Ely had offered to incorporate this building within his security zone and to secure evacuation Binh Xuyen commandos who were said to have occupied it. Ely said that Diem was eager to fire police and Sûreté chief Sang at once and was prepared to accept Defense Minister Minh's resignation. Commissioner Wintrebert who was present said that brother Luyen was certainly back of this development. I told Ely that I was gravely disturbed by Diem's having taken steps of this gravity without consulting him or me.

2. Immediately after conversation with Ely I called on Diem. I told him I was disturbed by developments and asked where the situation stood at that moment. Diem replied that the Director of Police and Sûreté, Sang, had been guilty of many acts of indiscipline, had permitted Binh Xuyen commandos to patrol streets and occupy police property. He added that he should have discharged Sang at the outset, but had instead been patient with him. Now, however, Diem said, it was impossible for him to insure internal security. He had attempted to reach Sang by telephone, but latter had refused to talk to him. Thereupon, he had taken steps to have the police headquarters occupied by army troops at 1330 and new Chief of Police and Sûreté installed. He added that Cabinet had twice authorized him to take any steps necessary to insure security. He had called in Defense Minister Minh and Chief of Staff Ty and given them necessary orders. Minh told him that Cabinet should be asked to approve step of this gravity. He had replied that Sang's indiscipline was insup-

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[1] Source: Department of State, Central Files, 751G.00/3–3055. Secret; Niact. Repeated for information niact to Paris.

[2] *Supra.*

portable. Minh had replied to Diem that he would be obliged to resign if Prime Minister's order was carried out. Diem told Minh that he could note in writing any objections he wished make to Prime Minister's order but had no option but to execute it. Minh thereupon resigned. Diem then gave formal order to Chief of Staff Ty to execute occupation police headquarters. (Instead, Ty called on Ely and informed him that he would not execute order without Ely's approval. Ely apparently told him to suspend its execution.)

3. Diem then said Commissioner Wintrebert called on Prime Minister at latter's invitation immediately after departure of Minh and Ty. Wintrebert promptly informed Ely of Diem's plan. Ely dispatched Generals Jacquot and Gambiez and Commissioner Wintrebert to Palace to warn President in strongest terms against execution of his order to seize police headquarters, adding that in any case he should not move until he had talked to Ely. Diem finally agreed to suspend his orders. Meanwhile Ely sent his aide to inform me of situation.

4. Diem said that Ely had called on him at 1530 and warned him against attempting to seize police headquarters by force, saying this move could unleash serious disorders. Ely offered to undertake to remove any Binh Xuyen commandos from police headquarters. Diem said he told Ely that he was head of the government and Interior Minister and had no choice except to move since Police Chief Sang was flouting his authority. He had calculated dangers and felt he could carry off coup without danger. Diem added that he felt he had to strengthen his position against sects. Ely said to Diem that there must be some other solution. Diem said he had replied that solution he proposed was correct one, even though he had agreed suspend its execution.

5. I told Diem that in my judgment if his orders had been executed and force had been used there would have been severe fighting within city. Moreover his troops would have been hard pressed to take police headquarters without artillery. Diem replied that he had studied situation carefully, that Binh Xuyen troops were young, low in morale and would have surrendered. I told Diem that no one I had consulted agreed with his analysis.[3] Moreover, we had reports police headquarters had been mined. Additionally, troops protected by walls with machine guns sited to command approaches to building would have the advantage over attackers. Fighting could have been expected to break out in other parts of the city and this would have resulted in far greater losses than gains. Moreover French would probably have had to intervene. Diem insisted however that he had

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[3] Diem did consult with Lansdale on the morning of March 29. For Lansdale's account of the meeting with Diem, see *In the Midst of Wars*, pp. 256–259.

sufficient forces available to take police headquarters. I replied that without fighting it might be possible to solve present crisis by political means. The Binh Xuyen are in defensive positions and I believe that they would not initiate action against government.

6. With respect to Defense Minister Minh, I told Diem I had heard from various sources that orders had been issued to army over Minh's head by brother Luyen. I reminded Diem I had warned him Minh might resign if he continued circumvent him. I added that I shared Minh's view of this problem. I went on to say that if Diem accepted Minh's resignation he might be confronted with situation as grave as that presented by Hinh rebellion. I said that he should not attempt to take on all opposition forces at one time. I advised Diem to let French secure Binh Xuyen evacuation of police headquarters and recommended that he himself should attempt work out an arrangement with Minh whereby latter would remain in office. I told Diem that in my opinion he had succeeded in out-maneuvering sects up to the present but was now risking open strife with them. I warned him that without Minh he might not secure loyal support of army. I added that before he took such action he should have consulted Ely and me. I said that as he knew I have supported him 100 percent and urged him sit down with Ely and me to work out solution to problem. Diem objected that Minh does not have same appreciation of situation as he does. I told Diem that he should have called a Cabinet meeting, as Minh recommended, and said that nothing serious would have happened during course of day if he had delayed. I told him that by acting alone he was needlessly antagonizing others and might end by governing Viet Nam with help of his two brothers alone. These steps had threatened the life of the government and were not worth the candle.

7. Diem reacted quickly to suggestion that he was governing largely with aid of his brothers, denying allegation, and saying that he had had to act before situation got worse. I told him that in fact the situation before this latest action was improved. I said if he forced the hand of the opposition by military action he would risk losing everything. I said again that he should let French peaceably remove Binh Xuyen from police headquarters, that he should consult with his ministers and that he should request Minh to suspend his resignation. In this connection, Vietnamese army officers had besought Minh not to resign. Diem said that in last crisis he had been told the army was for Minh, which was not true.

8. I said that Ely and I were planning to meet with Diem in day or two to suggest solutions for sect demobilization problem and that if he forced the issue now in this manner he would be making the gravest mistake of his career. I added that I was entirely out of sympathy with his actions Diem insisted stubbornly that Minh and he

do not see things in same light and that Minh must go. He himself would retain Defense portfolio and give Interior Ministry to some other minister, unnamed. I told Diem that he must learn how to handle strong men who disagree with him since the knack of governing consists largely in that skill. I said that I would be obliged to report to my government that he was making a serious mistake and unnecessarily threatening life of his government.

9. I asked Diem what Cabinet changes he had in mind in letter he addressed to General Soai. Diem gave unsatisfactory reply indicating that he proposed doubling up ministries, using present Cabinet members.

10. Diem said that Cao Dai General Phuong was coming to see him evening 29th to ask that Diem incorporate Phuong's 8,000 men, of whom 1,000 have already been integrated, into army. Diem indicated he intended to integrate Phuong's men so that Phuong would no longer be answerable to Cao Dai Pope. When I asked how these troops would be paid, Diem said that once they had been integrated steps could be taken for the demobilization of some of their numbers.

11. I told Diem that I had made few requests of him during my tour in Viet Nam. However I was obliged to ask him to request Minh to withdraw his resignation, even if only temporarily. Diem replied that the resignation at present is in suspense. I said that Minh might not think so and that Diem risked grave dangers of army rebellion if Minh left the government. Diem referred in answer to Minh's "clique" as an objectionable element of the General Staff. I said once again that Diem must accustom himself to opposition.

12. In conclusion, I said that Diem was making it very difficult for me to continue supporting his government. I said that if he continued his present course we would be under heavy pressure to support a change in the government. If it were not for refugees, for whom we have heavy responsibility, I feared I might have to recommend withdrawal of U.S. support. I asked that Diem take following three steps: (a) that he attempt to gain Minh's acceptance to remain in government, (b) that he work out specific proposal for revamping Cabinet, to be discussed with Ely and me and (c) that he consult Ely and me before taking any additional critical steps whatever. Diem replied he would think over situation and might give me call later in evening.

13. After leaving Diem I called on Ely and reported above conversation. We agreed to meet with Diem if he called either of us. As of 2230 March 29 we have had no further word from Diem.

14. While nothing explosive is likely to happen unless Diem decides to use force in taking over Sûreté headquarters, I am greatly disturbed over situation as indicated above.

[Collins]

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81. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, March 30, 1955—1 p.m.

4213. Following account of events based on observation Embassy staff and American press correspondent, and on Vietnamese army sources:

1. At midnight Saigon–Cholon prefectural police headquarters attacked by approximately 80 Binh Xuyen stationed in adjoining police school. Police headquarters previously reinforced by National Army paratroopers and further reinforced after Binh Xuyen attack by other National Army elements. National forces had consolidated their control of police headquarters area by 1:30 morning 30th. Total casualties this engagement approximately 10 killed, 50 wounded.

2. Simultaneously with Binh Xuyen attack on police headquarters, mortar shells were fired into ground President's Palace. 2 shells hit wing of Palace, 3 more landed in Palace grounds, a few other in nearby area. 5 wounded at Palace grounds; 2 at or near neighboring French High Commissariat Office.

3. At about same time or shortly thereafter Binh Xuyen attacked FAVN headquarters Cholon, but were repelled. FAVN casualties this action 5 killed, 21 wounded.[2]

[Collins]

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[1] Source: Department of State, Central Files, 751G.00/3–3055. Secret; Priority. Repeated for information to Paris and passed to the Department of Defense.

[2] In a memorandum to Collins dated March 30, General O'Daniel reported on his conversations with FAVN officers involved in the fighting, stating: "I am convinced that the Vietnamese military were fired on first by the enemy." (Collins Papers, Vietnam File, Series VII, O)

82. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, March 30, 1955—11 p.m.

4230. 1. I called on Diem noon 30th at his request. I told him I believed Binh Xuyen were responsible for outbreak of hostilities and expressed regret this action had occurred. Diem said Binh Xuyen had been prepared act against govt for some time. Now that Binh Xuyen have taken to arms he saw no alternative except to remove control national police and sûreté from Chief Sang soonest. Ely had cautioned him against precipitate action but at 0330 30th in discussing action Ely might take if Ely assumed overall command, Ely declined say specifically whether or not he would remove Sang.[2] When Ely called again on Diem at 0830, PriMin said Ely had indicated he thought Diem did not wish him assume command. Diem said he had replied he was not opposed in principle but wanted to know Ely's plan of action. Ely said that he would move to restore order by separating hostile elements. Diem complained to Ely that latter was putting govt and sects on same plane. Moreover Ely's plan did not provide for neutralization Binh Xuyen headquarters (on southern outskirts Cholon) from which attacks could be launched on city at any time. Ely also informed Diem that he did not know how the fight had begun. I reminded Diem that Ely at that time had had no intelligence briefing on night's happenings.

2. Diem said that Ely had proposed (at my suggestion) that General Gambiez arbitrate between govt and sects. Diem had complained to Ely this implied equality between two parties. Moreover govt in his view should rely on its own forces and could not escape its responsibilities. Diem said that he had told Ely Binh Xuyen would have to be disarmed or wiped out and that according to recent memo from DefMin Minh and Chief of Staff Ty, Vietnamese Army had enough potential in city to handle any situation.

3. I asked Diem where he stood at that moment. He said he was still determined to destroy or drive out Binh Xuyen, since it was better latter should be in Maquis rather than constitute threat in city. Cabinet morning 30th had been advised of all steps taken and had approved any additional steps needed to restore order. All ministers except sects representatives and Minister for Plan, absent from country, were present. Diem said that he would ask Ely to lend him all possible assistance saying that if French and govt could not handle

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[1] Source: Department of State, Central Files, 751G.00/3–3055. Secret; Niact. Repeated for information priority to Paris.

[2] Ely's account of this discussion with Diem as reported to Collins is in telegram 4220 from Saigon, March 30. (*Ibid.*)

sects' threat there was no use in Diem's attempting to carry on. He added that if Binh Xuyen renew attack night of 30–31 they will meet artillery fire.

4. Diem said he had received support from Generals Phuong and The who said they expected govt attack Binh Xuyen headquarters and offered to carry out operation. Chief of Staff Ty had said army had been attacked and must react. Wintrebert had said Jacquot was agreeably surprised by discipline and high morale shown by National Army troops. I told Diem that in my view everything possible should be done to prevent further fighting. I suggested General Gambiez serve not as an arbitrator but as a mediator. I went on to say that if Diem had tried as planned afternoon 29th to take National Police Headquarters by force a fire fight would have resulted. He had been well advised accept counsel given by Ely and me since it now appears certain Binh Xuyen launched last night's attack, which gives him political and psychological advantage. I advised Diem to attempt negotiations rather than continue open fighting but be fully prepared to act if Binh Xuyen should move again.

5. Cao Dai General Phuong has asked Diem to integrate 8,000 of his troops, of whom 3,000 are already integrated, into National Army. These troops would be transferred to National Army training center and all ties with Cao Dai sect cut. I told Diem that he must make decision but I should point out this would affect demobilization plans and perhaps force more rapid demobilization toward end of year. Diem said he had warned Phuong that some of his forces would have to be discharged later. He added to me that he was most reluctant to take this step but felt he had no alternative.

6. I told Diem I hoped it would be possible to find some means of preserving peace for next few days, and thought that some solution might be worked out if Binh Xuyen were removed from city. Diem replied that he knew there were serious risks involved but if he did not move rapidly Binh Xuyen might combine against him with other sects. I said it would be worth deal to gain time enough to force sects to accept political solution.

World press now seems to be with Diem. I agreed however, that he would have to remove National Police Chief Sang and suggested French might help clear out Central Sûreté Headquarters near Cathedral by peaceful means.

7. Diem said Minh had attended morning's Cabinet meeting as observer and that his resignation had taken effect. I said I hoped it would be possible for Minh to remain in office. Diem said there were too many differences of opinion between him and Minh for this to be possible. I urged Diem to proceed rapidly with plans for reorganization his Cabinet.

8. Minh called on me 1300 30th to say he was gravely perturbed that news of his resignation, which he did not release, might have precipitated armed action. He feared Binh Xuyen had taken resignation as signal government intended move against them and so seized initiative. Minh said he intended issue an Order of the Day 30th explaining reasons for his resignation. I persuaded Minh that an Order of the Day would be contrary to national interest and secured his agreement not to issue. Beyond that, Minh agreed only to remain in caretaker capacity until relieved by Diem.

9. I met with Ely at 1500 30th to review with him my latest conversation with Diem. I told Ely I was sure Diem intended remove Sang and I saw no alternative. Ely said this was contrary to advice he had given to Diem. I said I had given no advice in this respect but still saw no alternative.

10. I mentioned my conversation with Minh and Ely said he agreed with Minh's point of view and considered latter's resignation serious blow to government. He said he disapproved entirely of Diem's policy with respect to sects. Ely said that he entirely disagreed with Diem's point of view and that he believed Diem could not maintain order. Diem, he said, had wanted him take over command in order conduct operations against Binh Xuyen. Ely said it would be "criminal"[3] for the French to get mixed up in civil war. Ely would agree accept command only in order separate opposing forces. He went on to say that he had had long interview with Diem morning 30th and had been very badly impressed. He believed Diem was concerned with saving his personal face and honor, and not with serving national interest. He said Diem was suffering "hallucinations" and had not just appreciation of limits of his means. I replied that Diem is in very difficult position and that his government is faced with rebellion. I for one have no sympathy whatever for Binh Xuyen. Ely said it was not question of having sympathy for Binh Xuyen but of judging Diem's policies which had put US into present predicament. I objected that any Prime Minister would have had to face sect problem sooner or later or else knuckle under and let sects maintain their feudal systems. Ely said there were other possible policies. Minh for example had resigned in protest against Diem's course of action. I said that nevertheless to my knowledge no one had been able to suggest a constructive substitute for Diem's policies.

11. I suggested to Ely that we accept fact that Diem would remove Sang. I added that some means should be found to isolate police headquarters and cut off its utilities. Otherwise Diem would be tempted to storm it. I regretted that was the only constructive suggestion I had to make. I added that I believed he would not move

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[3] The quote is not closed in the source text.

against Binh Xuyen headquarters except in response to Binh Xuyen attack. (In case of such attack, I would sympathize with any action government might take but would not advise Diem to seize initiative in attacking.) I felt that Binh Xuyen had resorted to violence in order to demonstrate that Diem could not control country. If Diem did not fight back government was lost. I repeated my earlier suggestion that if Ely wished to avoid renewal hostilities he warn Binh Xuyen they could not be reinforced from outside. Ely said that no reinforcements had been received 29th. Moreover, there are many "troubling factors" in the situation and he is not certain that Binh Xuyen actually attacked first. For example he said Binh Xuyen forces engaged were outnumbered by government troops by one to two, or possibly three. I said that simultaneous shelling of Palace and attack on police commissariat indicated to me that Binh Xuyen were responsible. Ely said that Diem planned two operations yesterday according to his information, one of which was scheduled for 1330 to seize police headquarters and another scheduled for midnight. He said that same National Army battalion commander who participated in midnight operation had been scheduled to conduct earlier operation. I said that this did not constitute proof in my view. I added that situation was no doubt grave and that I earnestly hoped there would be no fighting night of 30/31. I said however that if Diem moved against police headquarters I thought he would move at same time against Binh Xuyen headquarters. Since Binh Xuyen have no artillery I believed National Army, with proper attack, could destroy Binh Xuyen headquarters. I said also that if Ely took over command that would be the end politically for Diem since sects would be able to claim they had won and that this was true. Ely said he would not, of course, take command unless Diem wishes. He had offered to do so only in order to save Diem. I said his taking command might prevent bloodshed but would not save Diem. I asked if Ely would attempt to have Binh Xuyen evacuate police headquarters peaceably. He said he would try but was doubtful of success. I asked if he would suggest to Diem that police headquarters be isolated rather than attacked and if he would assist in cutting off services to this building. Ely said that he would see what could be done. I concluded conversation by saying I did not know whether Diem would or would not accept my advice to move forcibly against Binh Xuyen.

12. My conversations with Ely convinced me French are not shocked, as are we, by suggestion that government and rebellious sects be treated as on a par. I noted also that Ely is not convinced that Binh Xuyen were responsible for opening hostilities against government.

[Collins]

83. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, March 31, 1955—6:37 p.m.

4260. For Collins. I have been reading your reports of political situation developing in Saigon and fully back positions you have taken with Prime Minister and General Ely in efforts find practicable solution.

I strongly feel we should not treat Government and rebellious sects on an equal plane as conversations with French officials have clearly shown they are doing. Re paragraph 12 your 4230[2] you may inform Ely I consider it imperative for French and American representations in Saigon to uphold full authority of National Government and Prime Minister take such measures as necessary and appropriate maintain integrity and order and proceed with reform program. Otherwise there will be no stability and no chance for political and other progress in Free Viet-Nam. However tenuous and critical present situation may be as a result of challenge from sects and resignations from cabinet, it is earnestly hoped Diem will follow your sound advice and seize this opportunity to reconstitute as strong broadly based and competent administration as is possible with what he has to work with. This would be far preferable to French idea of supreme council including many questionable persons.

You have our full support and best wishes. Foster Dulles.

Dulles

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[1] Source: Department of State, Central Files, 751G.00/3–3055. Secret. Drafted by Young; cleared with Tyler, Elbrick, and Robertson; and signed by Dulles. Repeated for information to Paris.

[2] *Supra.*

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84. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, March 31, 1955—11 p.m.

4263. RefEmbtel 4234 repeated information Paris 1132.[2]

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[1] Source: Department of State, Central Files, 751G.00/3–3155. Top Secret; Priority. Repeated for information to Paris.

[2] In this telegram, March 30, Collins reported that Ely had informed the Embassy of the resignations of Foreign Minister Do and the Ministers of Social Action and

Continued

1. In light of recent developments we must now squarely face fact Diem is operating practically one-man government with his two brothers Luyen and Nhu as principal advisors. I seriously doubt this can last long.

2. Diem is, in fact, almost entirely isolated. Four Hoa Hao members of government have resigned. Defense Minister Minh, an independent, has resigned. Four Cao Dai members of government have now submitted their resignations to Diem in spite of "integration" Cao Dai forces into National Army March 31, ostensibly "to give Diem free hand to form non-political government of technicians". (Please don't expect me to explain this gobble-de-gook.) Foreign Minister Do and his Tinh Than colleagues have today reluctantly withdrawn their resignations, we are told, on condition Diem (a) seek political solution rather than solution based on force and (b) consult members Cabinet concerning government policies. This is second warning Tinh Than group has given Diem, the first being in January. I seriously doubt Diem will be able change his nature actually consult his ministers and treat them as working team. This compromise therefore may not last very long. Top leaders National Army are showing no enthusiasm for Diem. General Vy has told me emphatically he is opposed engaging National Army in civil war. General Ty is proving to be weak reed we feared he might be. Adherence March 31 Cao Dai forces under General Phuong to national government cannot be considered as element of lasting strength for Diem though he believes it is.

3. I am convinced that Diem has had fair chance to establish effective govt. He himself has produced little if anything of a constructive nature. We have found it necessary assist him in proposing, drafting and attempting to breathe life into most of his programs. We have done everything in our power to support and aid him. We have done our best to get him to change his method of operating. There can be no question but that French in recent past have not only ceased in general to obstruct Diem but under Ely's guidance have been making positive efforts assist him. Major portion responsibility for critical situation in which Diem now finds himself must in all fairness be laid squarely at Diem's own door.

4. It is possible that with his temperament and demonstrated inability work in team spirit with anyone but his brothers, Diem might, without consciously being aware of it, attempt to govern with rubber-stamp Cabinet. I am convinced such an effort would be

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Health. Ely felt this constituted a grave political crisis and Collins agreed since Diem, without formation of a new Cabinet, was essentially governing alone. (*Ibid.*, 751G.13/3–3055) short-lived as country will not stand for type of "government by family" offered it by Ngo brothers.

5. I believe it is, therefore, essential to consider possible alternatives to present situation. We have been giving thought to this in past few days as it appears Diem government may fall through process of dissolution, through efforts of sects, or even by Diem's own resignation concerning which we have received hints which will be outlined in subsequent message.[3]

6. It appears alternatives in order of desirability would be as follows:

(a) New government to be formed with Tran Van Do as President;
(b) Same as (a) but under Quat;
(c) Bao Dai to return in support of a new government to be formed and led by Diem;
(d) Bao Dai to return and assume presidency over a new government.

7. Do is not a very strong man and might refuse to assume responsibility for government, but if he agreed we believe he might have best opportunity succeed in establishing a broader government including best of present ministers who are familiar with current programs. He has ability to work with other people and seems to know how to decentralize. I feel sure he would be willing to bring into government men like Dr. Quat, who is a personal friend.

8. While I personally believe Quat is a stronger and more able man than Do, my reasons for suggesting Quat as second choice are that he is identified as northerner and member of Dai Viet Party which is unpopular in south and which some blame, however incorrectly, for loss of Tonkin. Sects might object strongly to Quat and in present situation this could be major factor. If Do were to refuse to form a government Quat would be next best choice from our point of view.

9. See part 2, para 3b, Embtel 2250 rptd Paris 706[4] for discussion of conditions which might govern return of Bao Dai.

10. Problem of sects will remain, no matter who heads government. But present impasse must be broken very quickly. As I have mentioned above, Diem may decide to resign. If he stays in office and presses for military action against the sects he is very likely to have insubordination in the army. This would lead to conditions worse than those existing last fall and would be intolerable.

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[3] *Infra.*

[4] Dated December 13, 1954; for text, see *Foreign Relations*, 1952–1954, vol. XIII, Part 2, p. 2362.

11. Would appreciate Dept's guidance soonest including advisability of approaching Do and Quat and tactics of consultation with French. Subject of alternatives to Diem government likely to develop with French in next day or two.[5]

[Collins]

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[5] A draft of this telegram is attached to a memorandum from Colonel Kelly to Kidder, Meloy, and Sturm dated March 31. Kelly stated the draft had been prepared that morning and asked the recipients to be prepared to discuss it later that day. The recommendations in the draft are similar to those in the telegram as sent, but the draft does not include the explanatory material in paragraphs 2, 3, and 4. (Collins Papers, Vietnam File, Series VIII, Diem)

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85. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, March 31, 1955—midnight.

4264. Part I.

1. I called on General Ely at 1230 March 31.[2] Ely reviewed events since meeting of March 30 and said at 1630 yesterday Diem summoned Wintrebert and asked him to have Ely name General Gambiez as mediator between the Binh Xuyen and government. Ely said he did so and as result truce had been reached which he thought would last 48 hours.

2. Diem asked Ely to help in working out reduction of Binh Xuyen forces in Saigon police posts. Ely commented to me that Binh Xuyen personnel were in fact in the process of being reduced in these posts even before Diem's request reached him.

3. Ely then said Do had called morning 31st and informed him that during conversation with Diem earlier, latter had been very abrupt. Accordingly, Do's resignation still stands but remains in suspense. I commented I regarded the situation as most serious and stated I believed if Do and his group did resign government could not last very long.

4. I asked Ely if my suggestion that National Sûreté HQ building be isolated had been studied. General Ely replied it had been investigated but it was found it would not yet be practical to cut off utilities to that building. I then suggested perhaps communications to

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[1] Source: Department of State, Central Files, 751G.00/3–3155. Secret; Priority. Repeated for information priority to Paris.

[2] A memorandum of this conversation, drafted by Sturm, is in Collins Papers, Vietnam File, Series VIII, Memos for Record.

this HQ could be cut. Ely replied that Binh Xuyen, occupying strategic positions outside city, would probably react by cutting much of Saigon's communications with outside world.

5. I then said I believed we must accept principle that Diem relieve Sang and that this would be less dangerous if new chief were temporarily established in a new Sûreté HQ perhaps in Commissariat on Boulevard Gallieni. Ely stated he agreed Sang should be relieved but felt this was not the proper time. He feared that if Sang is relieved now it will only increase tension. I suggested Ely inform Diem that, when Sang can be replaced without risk, Ely will establish necessary communications for new Chief of Sûreté to operate someplace other than the present Sûreté building. Ely said he would do this.

6. Ely then stated he felt we must continue support Diem not only for well-known international political reasons but because within country his departure might have effect causing rupture between Central and South Viet Nam. However, he said, Diem must be persuaded to be more conciliatory and enlarge government, otherwise the country would become enmeshed in civil war. As possible solution to current situation, Ely suggested that Diem give Do the mission of contacting all political sectors of society to determine how best to arrive at such enlargement of government. He feels that this offers best possibility for getting Diem to strengthen Cabinet. I said I would consider proposal and discuss with him later.

7. Ely said he was aware of reports that Diem might resign and take blast at U.S. and France. He added that Diem would also no doubt try to drive wedge between France and U.S.

8. In course of conversation Ely stated forcefully he intended establish and maintain order and prevent civil war even if that involved putting Diem under arrest.

Part II.

1. I called on Diem 1700 March 31 at his invitation. He told me he had received two telegrams from Bao Dai, one in clear and one in code, referring to armed conflict night 29/30, expressing grave concern and saying no previous government had permitted armed clash between Vietnamese leading to bloodshed. Last sentence of coded message said Bao Dai would be waiting for indication of Diem's "intentions". I asked Diem what this meant. He said he didn't know, perhaps Bao Dai was asking whether he intended wage war on sects. (Colonel Lansdale, who had been at Palace all morning, said that brother Luyen had said this meant Bao Dai was asking Diem if Diem would resign. He said he believed Bao Dai thought Vietnamese army was responsible for starting conflict.) (This is becoming official French line.) He said that purpose of his inviting me to call was to ask if I would agree send telegram to Bao Dai explaining present situation and saying government has affair well in hand. I said that I

had reported fully to my government my belief that Binh Xuyen forces were responsible for conflict but I could not agree to act as intermediary between him and Bao Dai. However, I said I would see what I could do. (If Department approves I suggest Embassy Paris be instructed to brief Imperial Cabinet representatives Paris, on basis my recent telegrams.)

2. Diem said Cao Dai were best element among sects, as they had proved by their adherence to his reply of 24th to sect ultimatum of which principal element was concept of single army. Cao Dai ministers, he said, had resigned in order permit complete secularization of Cao Dai military and political activities and even Cao Dai Pope had signed private agreement with his colleagues releasing Cao Dai forces for integration into National Army. I said I wished I could be as optimistic as President as to validity and lasting quality of any such agreement.

3. I asked Diem where he stood with Tran Van Do. He said he had invited Do to call this morning. Do had insisted on urgency of solving political question and Diem asked him to submit in writing plan to resolve impasse. I asked if Tinh Than ministers were remaining in government. He said yes and that resignations had been submitted only to free Diem hands in forming new Cabinet. I warned Diem that if Do and his associates left government it would be difficult for him to continue as Prime Minister. (Do had informed me that he was still opposed to the use of force in dealing with sect problem, as were some of Diem's generals.) I urged him have complete Cabinet discussion before he took any further action and to seek a political solution in next week or ten days. If Diem determined on military operations he would find no French support and probably little National Army support.

4. I said that he must quickly get new blood in his Cabinet and delegate authority to competent ministers. Otherwise there was danger of imminent collapse of government. I told Diem that U.K. and Australian diplomatic representatives as well as Ely agreed with me in this regard. Diem said that he intended to reform his government "now that sect front is dissolved". I reminded him that he had dealt only with Cao Dai and that Binh Xuyen and Hoa Hao still opposed him. I encouraged him to move ahead quickly on political front, announce new government and re-state his programs. Diem said he was proposing to make indirect political contacts tonight with various circles to see what were the possibilities for forming a new Cabinet. I asked if he intended to invite into his government men of caliber of Quat, who might not always agree with him. He gave no direct answer but said he was willing to consult with Quat. I suggested that he consult his Cabinet fully on all major policies saying that unless assurance to that effect was given he could not get good

men. I suggested he use one of his ministers, in particular Tran Van Do, to take political soundings for him and to draw up list of possible members. Diem said he would not do this until he had seen Do's plans for government reorganization (mentioned above) but he agreed to discuss matter with Do soonest.

5. I told him I thought sects would never agree to renounce all participation in government and asked him if he would consider establishing some sort of Council of Elders, without power, but in which membership would confer some prestige. Diem said that he had already thought of that and would give it further study.

6. Diem indicated that he was still highly irritated that French had not allowed him storm National Police HQ in central Saigon. He muttered threats to effect that if he was much longer frustrated in his plans for dealing with Binh Xuyen he would resign and write a "white paper".

Part III.

I met with Tran Van Do later night 31 March and told him of conversation with President. He indicated that while he had left his resignation and those of his colleagues with President, they would remain in government unless President took some drastic action that might lead to civil war. He agreed to undertake with help of Embassy staff officer to draft plan for reorganization of government and to suggest list of new Cabinet ministers for submission to Diem. He will consult with President about this morning 1 April. (We hope some good may have come of this, but still are somewhat skeptical of Diem's acceptance of idea.)

[Collins]

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86. Memorandum for the Record, by Colonel J.E. Kelly of the Embassy in Vietnam[1]

Saigon, April 1, 1955.

At 0015 on 1 April Colonel Lansdale came to the Embassy Residence and saw me. He said that he had just come from the Palace and that:

(1) The Government was sending a letter to Ely immediately requesting Ely's authority to move Vietnamese troops through the

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[1] Source: Collins Papers, Vietnam File, Series VII, K. Secret. Kelly was on temporary duty at the Embassy, attached to Collins' personal staff.

French-protected section of town in the event the Binh Xuyen attacked the Vietnamese Army,

(2) That in the event Ely refused to grant this permission to the Government, President Diem would send a letter shortly (in the early hours of the morning) to the Ambassador requesting his good offices to intercede with Ely to procure this permission for the Vietnamese, and

(3) That in the event of an attack by the Binh Xuyen the President was going to call on Ambassador Collins and General O'Daniel asking them to come to the Palace and give him advice.

In view of the embarrassing position which such a letter forwarded to the Ambassador by the President in the middle of the night might cause the Ambassador and the President should the Ambassador refuse to intercede and become an intermediary between the Vietnamese and the French, I felt it wise to awaken the Ambassador to determine if he wished to block such an action. I informed the Ambassador of the information contained in paragraph 1 above and he stated:

(1) He would receive no letter from the Government that night, and

(2) Neither he nor General O'Daniel would go to the Palace and give advice to the Government in the event of attack.

I informed Lansdale of the Ambassador's decision and urged him to take such measures as necessary to prevent President from making such requests of the Ambassador. As we were discussing this the Ambassador came out of his room and reiterated his above decision, directing Lansdale, Redick and Potter (who had also dropped in) to go home and go to bed and keep away from the Palace and such absurd activities. He assured them that the French would not permit the Binh Xuyen to launch an attack that night.

Kelly

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87. Memorandum of a Telephone Conversation Between the President and the Secretary of State, April 1, 1955, 12:13 p.m.[1]

The Sec. referred to his cable from Collins which presses the view that Diem must go[2]—which is surprising. The Sec.'s general feeling is it is quite impossible for us from here to give him any important guidance. The Sec. said he would be glad to talk with the Pres. about it, but the Pres. said he saw no reason to—he agrees with the above. The Sec. read from the cable. The Pres. said he does not see that we can do much except tell him not to give up on Diem until it is quite certain because we bet on him heavily. The Sec. said Mansfield is devoted to Diem. He thinks we ought to talk with him about it to see what line he will take. The Pres. said he does not know that we should. The Sec. might tell Collins that he is on the spot and will have to play it by ear. His telegram comes as a surprise because we bet pretty heavily on him. Let us know if we can do anything. The Sec. said he still thinks we should talk with Mansfield, and the Pres. indicated assent. The Sec. said though we should not be controlled by his judgment. The Pres. said, in response to the Sec.'s comment that Collins is apt to be hasty, that we should caution him to go slowly. He should be asked if Ely is in agreement with him. The Pres. thinks he should talk to the French without committing himself to anything if he can avoid doing it.

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[1] Source: Eisenhower Library, Dulles Papers, White House Telephone Conversations. Transcribed by Phyllis D. Bernau, Dulles' secretary.

[2] Document 84.

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88. Memorandum for the Record, by Senator Mike Mansfield[1]

Washington, April 1, 1955.

SUBJECT

Indo China

At 1:30 p.m. today I received a call from Secretary Dulles at which time he asked me to come down and discuss the Vietnam situation which he said was getting progressively worse. I met with Mr. Dulles, Assistant Secretary of State Walter S. Robertson and Ken Young in charge of the Southeast Asia desk at 4:00 p.m. and there, read certain cables relative to the situation in Vietnam. In these cables, Collins said that the recent coming over of 10,000 Codao [*Cao Dai*] troops was probably of only a temporary nature; that Diem's brothers were very close to Diem; and that the possibilities were that difficulties of very grave nature might arise shortly. He seemed to imply that Diem was too rigid; his authority too personal; and that team-work in the cabinet was lacking.

He offered four alternatives:

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[1] Source: University of Montana, Mansfield Papers, Series XXII, Box 107, Vietnam

1. That if Diem was replaced, he would be replaced by Tran Van Do.
2. That he be replaced by Quat.
3. That Bao Dai exert some sort of pressure on Diem to broaden his government.
4. That Bao Dai return to Vietnam as President with the retention of Diem as Premier.

When asked for my opinion, I said I thought all four alternatives were worse than keeping Diem in office; that we did not have too much time; that if Diem quit or was overthrown, there would very likely be civil war; and that as a result that Ho Chi Minh could walk in and take the country without any difficulty. I suggested that someone from the Paris Embassy be sent down to Bao Dai and that if necessary, serious consideration be given to subsidizing him, in part at least, for revenues which may have been lost through Diem's crack down on the Binh Xuyen. I also suggested that if it could be worked in some fashion that contact be established with Bao Dai; to use his influence to get Diem to take Quat into the Cabinet either as Minister of Defense or Minister of the Interior. Quat seems to be the one man everyone except Binh Xuyen seems to think should be in the Cabinet. The most difficult person to deal with is Bay Vien, head of the Binh Xuyen who has not been in contact with Diem for the past two months even though efforts have been made by Diem to arrange a meeting with him.

While Ba Cut seems to be the first military leader, the defection of his Cao Daist [?] to Diem and the blessings by their Pope has taken away a lot of his strength. My parting suggestions were to contact Bao Dai along the lines enumerated above and to try to find ways and means of getting Diem to accept Quat into his cabinet.

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89. Memorandum From the Director of the Office of Philippine and Southeast Asian Affairs (Young) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)[1]

Washington, April 1, 1955.

SUBJECT

Draft telegram for General Collins

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[1] Source: Department of State, Central Files, 751G.00/4–155. Top Secret.

I am attaching a draft telegram which I suggest you send to General Collins. . . .

On reviewing the recent telegrams from Saigon, I have the uneasy feeling that the French in particular and our people to some extent have overcautioned Diem on taking actions against the Binh Xuyen. Ely arranged a truce which I am not sure was well-timed. Collins has been using very strong pressure on Diem not to take action against the Binh Xuyen. My hunch is this has all been bad advice. The Binh Xuyen have to be dealt with severely and often with bloodshed, if necessary, sooner or later. Their leader will rebel against any central authority he does not absolutely control. While it might have worked out better if this challenge had come three or four months later, when the national army is in better shape, it is obvious to me from my talks in Saigon that the sect leaders knew the jig was up and moved before it was too late.

I don't think the State Department can directly encourage Diem to take forceful action against the Binh Xuyen and its leader. However, I am baffled as to how we must continue—whether Diem should not be thwarted in putting down this rebellion. Attempts for a reconciliation will just put off the evil day unless the Binh Xuyen leader, General Vien, submits without reserve to central authority.

The best thing I know to do is to get a telegram off to Collins asking him to evaluate the situation. Furthermore we have not received from Saigon any over-all estimate of the situation.

[Attachment]

Draft Telegram From the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Special Representative in Vietnam (Collins)[2]

Washington, [April 1, 1955].

Would appreciate estimate of national government's capabilities vis-à-vis Binh Xuyen in Saigon–Cholon area. Can government rely on national army battalions in this area? Are they adequately equipped and supplied with ammunition? If so, can government bring Binh Xuyen under full control by whatever means necessary? We have seen . . . report, . . . that French have consistently refused issue sufficient reserve ammunition to national army battalions which, according this report, have only four hours reserve supply for heavy fighting. Can French action be verified? Would also appreciate whatever assessment can be made of Viet Minh infiltration and instigation Binh Xuyen or otherwise Saigon area.

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[2] This draft telegram was classified Top Secret. See Document 99, which is in response to it.

Now that Cao Dai leaders appear to have rallied to Diem, what are estimates outcome of Binh Xuyen and Hoa Hao challenge to government?

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90. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, April 1, 1955—11:14 a.m.

4284. For Collins from Secretary. Your 4263 rptd Paris 1141 and 4264 rptd Paris 1142.[2]

1. Re alternatives to Diem, we do not think that switch would be desirable or practicable at present time. We still think we should continue to back Diem. We particularly note from 4264 that Gen. Ely shares that view. While situation is complex and sensitive, it appears preferable to us to continue support for Diem and concentrate all our efforts to getting backing for his government. Every avenue should be explored, as you have been doing, to arrive at workable solution along these lines. We doubt that there is any acceptable alternative which we could back on the scale necessary for success.

2. However you should feel free, if situation becomes acutely critical, to speak frankly to Diem that unless he can do better than he is now doing we may have to cease U.S. support for Viet-Nam which will jeopardize not only himself but the whole country. Surely he must feel an obligation to all patriots who have come down by the hundreds of thousands in hope of getting refuge in Free Viet-Nam. We strongly hope this regrettable decision by U.S. will not be forced upon us.

3. In your discretion you may put question directly to Diem for me as to his intentions regarding broadening and strengthening of his government with competent ministers. You may say that U.S. Government is deeply concerned over present developments in Viet-Nam, hopes that effective government under his premiership can be immediately formed and that, as I mentioned to him in Saigon, U.S.

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[1] Source: Department of State, Central Files, 751G.00/3-3155. Top Secret. Drafted by Young and cleared, according to Young, by Dulles. Repeated for information to Paris.

[2] Documents 84 and 85.

has tremendous stake in success of his administration and Free Viet-Nam. We have consistently backed him.

4. With respect to settlement of sect problem, I wonder if we may not have been moving too fast in trying to establish strong central government and rapidly and substantially liquidate control and jurisdiction of Cao Dai and Hoa Hao. I would like your further views and recommendations on developing workable relationship in civil and military matters between central government and two sect organizations. If there are any financial problems regarding integration of sect forces into national army, please inform me. But I do not see how Diem as Prime Minister can accept having Saigon and central police under jurisdiction of group not under control of central government.

5. Although Ely advocates continuing support for Diem, I am astonished at his remark that he might even have to put Diem under arrest to prevent civil war (para. 8, Part I your 4264), whereas he indicated he would not use FEC prevent Binh Xuyen reinforcement your 4159.[3] We should not treat Prime Minister and government as inferior to rebellious sect leaders whom French apparently regard as immune from arrest by them. Fundamental challenge to central authority is involved, among other things, in this crisis.

6. For Achilles: I concur in Collins suggestion para. one, Part I [*II*], his 4264 repeated Paris 1142, and you should convey to Bao Dai in manner you consider most effective, views expressed in para. 1 and 3 of this telegram. If possible, it should be impressed on Bao Dai that he could make contribution in this critical situation by using his influence with Hoa Hao and Binh Xuyen to accept authority central government and accede to political settlement.

7. You may inform Ely substance this telegram.

Dulles

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[3] Document 77.

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91. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, April 2, 1955—1 p.m.

4292. 1. I called on Ely 2000 April 1 at his urgent request. Ely said that he had just come from a very difficult conversation with

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[1] Source: Department of State, Central Files, 751G.00/4–255. Secret; Priority.

Diem. Ely had tried to be as soothing as possible, had said he understood Police Chief Sang would have to be removed, said he was willing to help Diem set up a new police chief in another headquarters, but insisted time not yet ripe for this move. Ely said that Diem was more excited and more determined than ever to carry out an armed assault on National Police HQ in central Saigon. He believed at same time Diem would launch series attacks on police posts throughout city. Ely interpreted Diem's mood as readiness to "put city to sword and flame to establish his authority". Diem told Ely he realized operation against police HQ would be dangerous for population. He asked Ely's help in evacuating neighborhood and promised pay damages to innocent victims. Ely said he explained gravity situation to Diem and had in particular warned him such action could only lead to civil war. Ely said that Diem would not listen to any word of wisdom or friendly advice. He concluded that Diem is on verge of megalomania. Ely said he and I would have to take urgent decisions since Diem's plan, if carried out, would lead to catastrophe and civil war.

2. Ely showed me on highly confidential basis memorandum of conversation between General Gambiez and Cao Dai General Phuong. It appeared, according to memorandum of conversation, Phuong had said Cao Dai troop integration was meaningless, that both he and Trinh Minh The remained unalterably opposed to Diem, and had asked French for arms with which forcibly overthrow government. Candidate proposed to supplant Diem was Tran Van Huu. I commented to Ely that Phuong would undoubtedly say anything to anyone for personal gain. Ely said that was true and conversation with Gambiez demonstrated how little troop integration meant.

3. I proposed that we meet April 2 to continue discussion. Meanwhile, I outlined for Ely my thinking under following headings:

(a) What Diem would do if left to own devices: I said I believed Diem would attack National Police HQ and other Binh Xuyen strongholds in city. I believed he could take police HQ and also Binh Xuyen HQ if attack were properly carried out. However, we had reports that police HQ was mined and Binh Xuyen would probably blow up on withdrawing. I was certain Diem was determined to relieve Sang quickly on grounds that otherwise government would lose all prestige.

(b) What Diem ought to do: I said I believed Diem should relieve Sang immediately, and that was where Ely and I differed. I said I felt Diem must do so if he was to remain as head of government. However, I believed that in next two or three days he should announce appointment of new Police Chief, saying no government can tolerate having head of its police member of a rebel band. I told Ely it was my firm conviction Diem should do this and I believed that such would be view of US Government, although I had no instructions. I added that I hoped Diem would say he had no intention of attacking police HQ, and that he was determined to avoid bloodshed. He should call on Binh Xuyen to withdraw from police HQ, establish new Police Chief in new HQ, and announce that National Police and Sûreté were to obey latter's orders. I added that I hoped Ely and I could agree promptly to complete our study on sect troop demobilization. On basis of that study Diem could refer to his integration of Cao Dai and Hoa Hao forces, and perhaps announce his intention to integrate more Hoa Hao troops plus token Binh Xuyen units. Diem should add in his announcement that he would give severance pay to demobilized troops and amnesty to Ba Cut and other rebels on condition that they surrender their arms. He could announce additionally that he intended to assist those sect forces not integrated in National Army establish selves in civil life. He could say that he had appointed, as he says he has done, Foreign Minister to study plan for government reorganization and reconstitution of Cabinet. He could say he was prepared to establish Council of Elders and would be willing to invite specific list of men participate in government. I added that he might not agree to take last step, but Ely and I could urge that he do it. Perhaps also Diem could also announce creation of an economic council.

(c) My analysis of French position: I told Ely that speaking as friend and hoping to be constructive, I had following analysis to offer of French position in present crisis. I understood French had divided city into defense zones, some controlled by Vietnamese and some by French. I had had reports that General Jacquot gave orders to Vietnamese army night 29–30 March preventing troop movement through certain areas. Fortunately army handled itself well and effectively. If army however had failed to stand up to rebels and Jacquot had prevented its free movement, he would have assumed a profound responsibility in a country supposed to be free. (Ely interrupted to say he would like details as to how Jacquot had interfered. I said that we had Vietnamese reports to that effect, but I did not pretend to know whether they were true. Ely said reports were quite false.) I continued that if Ely were determined to prevent further fighting in city, French must come up quickly with positive solution. I added that I was speaking only of crisis within city and not referring to rebel activity in provinces. I said that Ely had remarked [illegible] that if necessary to preserve order he would arrest Diem. I added [illegible] had not taken this threat seriously, later had wondered what he intended. I said that before any such drastic action was taken Ely should arrest Bay Vien. If he undertook to arrest Diem that would mean complete divergence of French-U.S. policies in Vietnam. I added that owing to reputation of Bay Vien in U.S. it could never be satisfactorily explained why French had determined to support Bay Vien against Diem. In order to avoid any such development, I said Ely should agree to immediate replacement of Sang as National Police Chief, under conditions indicated above, and that if he did so I would back his position fully. I said Diem attached great psychological importance to police HQ building and I did not believe he could be persuaded from attacking it short of Ely's agreeing to compromise outlined above.

4. Ely said with reference to arresting Diem he had merely been dramatizing his intention avoid disorder at all costs. He said, however, that if we decided avoid conflict we must have specific plan to prevent an explosion, threat of which was imminent. I agreed. Ely said that all French had done during period of hostilities was to offer advice within framework of accord under which Diem agreed accept General Gambiez as mediator. As matter of fact, French did intervene to prevent Binh Xuyen from moving into sites previously occupied by National Army, and Jacquot had advised National Army troops with respect to proper use of their equipment and how to capitalize on their defensive positions. I told Ely that I had not evaluated reports of French interference, but knew they were believed in certain National Army quarters. Ely said that rumors were inevitable in view of his special responsibilities and asked what I would have done in his place. I expressed sympathy for his position and that of FEC.

5. Ely said principal requirement in military field at the moment was to avoid any accidental explosion. He believed political question far more important at present and said opposing sides must be brought at all costs to accept principle of negotiation. I told Ely we could not hope to solve problem at that meeting and proposed he sleep on my suggestion. I said perhaps he might have a better plan, but I felt that any plan must include agreement that Sang be relieved as National Police Chief. I said I felt also that French must make sure that Bay Vien not take action in reprisal for Sang's removal. Ely said that I must not think he could give orders to Bay Vien, since latter is not in French pay. I replied Ely was in effect giving orders to Diem when he established defense zones in city and prevented movement National Army troops through them. Ely said this resulted from agreement between Vietnamese and French. I said agreement was between ex-Defense Minister Minh and French, and Diem would probably not now agree to it. I asked why French should not make similar agreement with Bay Vien. Ely said indignantly that Bay Vien was as much a rebel for him as for the government. I said if he would agree Sang should leave at once and would promise full backing to Diem against rebels that would make all the difference to Prime Minister. Ely said that although Diem appears not recognize it, South Vietnam is in a revolutionary situation. He said he believed relief of Sang would have same effect as storming police HQ. He said he could arrest Bay Vien in four hours with FEC, but other Binh Xuyen would simply go underground. I commented that in my view Bay Vien was ringleader of sect front. Some French have said they wished we had a Magsaysay here.[2] I said Magsaysay would take vig-

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[2] Ramon Magsaysay, President of the Republic of the Philippines.

orous action against Bay Vien and Binh Xuyen. Ely said that there is no strong man like Magsaysay here. I continued saying that if National Army with self-propelled artillery and armored cars could not destroy police HQ, army had no chance of standing up to Viet Minh. Ely said this was not the problem; army could take police HQ at any time. Crucial point is that government does not have sufficient forces to crush rebels everywhere and within short period. Rebels untouched by government would form nucleus of opposing force to conduct civil war, as result of which South Vietnam would be lost.

6. I said that if we reached no solution acceptable to Diem he might order attack on police HQ at any time. Accordingly, we must accept risk at some point. I further cautioned Ely always to act so that French would not be accused of siding against government. Ely remarked with some emphasis if it had not been for him, Diem would have been finished last August. I said I had reports that French were restricting issue of gasoline to National Army. Ely exploded at that point, saying tickets previously valid for issue of gasoline had been cancelled because National Army officers had sold quantities of them to Binh Xuyen. He said that Vietnamese General Staff had been issued any and all amounts of gasoline requested without question. He added that Vietnamese implored French retain control of tank farms because they feared otherwise Binh Xuyen would blow them up.

7. We parted with agreement to meet again morning April 2 to consider my proposals or any French plan which might be developed over night.

[Collins]

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92. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, April 2, 1955—midnight.

4301. For the Secretary from Collins. Reference Embassy telegram 4292 rptd Paris 1148;[2] Department telegram 4284 rptd Paris 3498.[3]

1. I met with Ely morning April 2 to continue discussion reported ref Embtel. Ely said he desired present complete picture of situa-

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[1] Source: Department of State, Central Files, 751G.00/4–255. Top Secret; Niact. Repeated for information to Paris for Achilles.

[2] *Supra.*

[3] Document 90.

tion as it appears to him and outline measures he feels must be taken in immediately ensuing days. Ely said that in conversation April 1, I had raised two questions:

(a) Possible replacement of National Police Chief and Diem's threat to attack police headquarters with troops, and

(b) General conditions under which Diem experiment might succeed. Ely said in his view these questions were closely related and had to be treated together with respect to whatever joint action we might take in future.

2. Ely said that he believed first of these questions had to be treated immediately. He added that as Commander-in-Chief he believed any continued delay in our arriving at common position as to advice we should give Diem in this matter entailed risk of even more acute political crisis and possibly civil war. Unless we reached joint position both with regard to immediate and long range aspects of the problem the worst might happen. Ely said he agreed that Diem could not long retain Sang as Police Chief, for latter is both a gangster and inefficient. He agreed that we must both back a new policy when appointed but said he was still gravely concerned with question of timing of such appointment. Immediate problem we had to face was what recommendations we should make to Diem. That is, whether or not we should dissuade him from using force to remove present police chief and install his own man. Bay Vien might answer force with force and Diem's and our trouble thereby would multiply enormously. Even if Binh Xuyen did not respond with show of violence, Ely continued, there would be in effect two police establishments between which clashes would be inevitable. Accordingly, this course, even if involving no initial use of force could not really solve problem. Accordingly, Ely added, it was his profound conviction that Diem cannot now settle problem by arms with means at his disposal and that any attempt on Diem's part to do so could only aggravate crisis. Bay Vien, he said, is protected by Bao Dai, who might or might not support Sang's removal. In any case, a partial solution of overall problem, which dealt only with control of police, would still leave Bao Dai pulling the strings, since it is not to be anticipated, short of a general settlement, that Bao Dai will agree to Bay Vien's elimination from political scene. I interrupted Ely to ask whether he meant that Bao Dai would not approve Diem's removing Sang and might advise Bay Vien not to yield to Diem's order. Ely replied that it is hard to say what Bao Dai will do. In any case, Diem has not the means to defeat Bay Vien so long as latter is assured of some degree of support from Bao Dai, even if only "moral." Moreover, through his ally Bao Dai, Bay Vien might be tempted take one last blow at Diem. I assured Ely I knew that Bay Vien could not be disposed of easily. However my position remained that unless we came up with

an adequate solution, Diem had no option but to relieve Sang quickly. Therefore I had proposed that we tell Diem we would support him in removing Sang under certain specific conditions, such as that Diem not resort to force unless attacked.

4. [*sic*] Ely said that in his opinion we could not break present problem down into its component parts but would have to treat crisis as a whole. What, he continued, might be a valid solution to problem of South Viet Nam? He believed such a solution would be to set up a broadened govt capable of honorably representing Vietnamese people, of participating in pre-election discussions with Viet Minh, and of winning elections. He said we must put aside any idea of reaching an ideal solution. South Viet Nam would have to defend its existence against Viet Minh with available men and means, even at sacrifice of some theoretical principles both on side of Vietnamese and ourselves. No Vietnamese Govt could hope to succeed unless fully supported by France and U.S. He recognized that parliamentary opinion in France and U.S. tends to lag behind realities and said he felt it was our duty to shape such opinion in this instance rather than merely be guided by it.

5. Ely went on to say that Diem's position despite our full support is now much weakened. French public opinion initially was strongly against Diem. That had caused Ely grave difficulties which he had managed to overcome only at cost of great effort. However, he had managed to resolve this difficulty and swing full support of FEC to Diem. He shared my regret fully that experiment so far has not succeeded.

6. Ely said that he could see only two possible solutions. These were:

(a) Use of force by Diem. Speaking as C-in-C, he said, he should reject this solution; nevertheless he was willing to examine it. After mature reflection on the means and time at Diem's disposal, he believed that if Diem took on sects militarily and by some improbable development were able to defeat them, he would so have exhausted the energy and resources of South Viet Nam that his govt would not have strength left to defeat Viet Minh on political and psychological fronts. Moreover, the govt, assuming it was victorious over sects, might be too weakened to cope with internal disorders created by Viet Minh. He believed National Army less to harry National Army.[4] Moreover, loyalty of National Army has been shaken, in recent days, by resignation of DefMin Minh. He said that it was unrealistic for Diem to count upon integration of Cao Dai forces into National Army as an asset in this struggle. In consequence, he believed no solution by force to be practicable.

(b) Political solution. Theoretically, Diem has full powers and could reform his govt and carry out programs we have helped him develop. To do that however he would need new men. But new men are not coming forward, not only because of Diem's dictatorial methods but also because Diem has been almost repudiated by Bao Dai. In absence of a National Assembly, Ely said, Diem must turn to only higher legal authority which is Bao Dai.

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[4] This sentence is printed as written in the source text.

7. Accordingly, Ely formally proposed that US and France ask Bao Dai to arbitrate present crisis. He was aware of US opinion regarding Bao Dai and was not proposing that latter return to Viet Nam at present. In any event, Bao Dai is pulling wires. We must insure that he pulls wires as we wish and direct. He said French had no more love for Bao Dai than Americans, but that in present crisis he sees no other solution and urged me give it full consideration. As an initial step he proposed that Bao Dai proclaim a 10-day truce. Simultaneously Bao Dai should summon Diem, sect chieftains, and certain political leaders such as Quat, to France. In order that proper distinction be made between Diem and others, Ely proposed that French extend to him formal State invitation. He added that French and American representatives, having first reached full accord, should inform Bao Dai of solutions we wished to reach for each question considered. He added that he was fully cognizant of Diem's virtues and hoped they could be saved for good of Viet Nam. He urged me to study this proposition at once, adding that to save Viet Nam is an essential policy objective of our two countries. In particular, we have profound responsibility to hundreds of thousands of refugees we have been evacuating from north. Concluding, Ely asked pardon for the passion with which he had spoken.

8. I replied that I appreciated the clarity of Ely's expression, and while I saw difficulties in his proposal I also recognized its merits. However, I wished to clarify certain issues:

(a) I said that if possible I would like to see as prior condition that pressure be brought on Bao Dai to support Diem in removing Sang. This might result in instructions from Bao Dai to Diem authorizing Diem discharge Sang and appoint an acting Police Chief. In this connection I said it was vital to avoid any appearance of supporting gangsters against legal govt. Ely replied that this might be possible as part of a larger program. However, he fears situation is on verge of explosion and that this might detonate it.

(b) I asked, if Ely's proposal were adopted, whether he thought our advice to Bao Dai should be communicated through US Embassy and Associated States Ministry in Paris. I said that I believed he and I should not go to France for this purpose, since we are so closely identified with local situation. Further discussion with Ely and his advisors led to agreement that if proposal is adopted it would be better that Bao Dai meet with Vietnamese leaders and sect representatives in Paris rather than Cannes as first suggested, where French influence could be brought to bear more discreetly than in Cannes.

(c) I agreed that it would be wise if Diem, an explosive element at present, were to leave the country for a while and it would be a good device for French to extend State invitation to Diem, to give him greater prestige than sect leaders in Paris. Meanwhile, [garble] conduct govt discussion of this point led to agreement that best acting PriMin would be Tran Van Do. Otherwise, a three-man executive composed of Do, [name and title deleted], and Minister for Plan Thoai might be workable alternative. In either case, delegation of power should be made by Diem.

9. I pointed out we would have to take steps both with Diem and Binh Xuyen to prevent further outbreak of hostilities over weekend. We agreed we would see Diem together to urge he accept three-day truce and Ely would alone contact sect leaders, beginning with Bay Vien, to secure their assent to truce. We agreed we would make no reference whatever to possible intervention by Bao Dai, as described above, and that that proposal, until and unless accepted by our govts, would remain most secret.

10. In conclusion, I reviewed for Ely primary reason US supported Diem, despite his most serious inadequacies as an administrator, his present inability to develop executive team work, etc., has been our conviction that the selfless devotion of Ho Chi Minh and his phony religion of Communism could best be met by the leadership, however inadequate from practical standards, of a man of spiritual qualities, high integrity, moral courage, and devoted nationalism, such as Ngo Dinh Diem. No other Vietnamese has these qualities to same degree. (However, while I did not say so, I have grave doubts Diem will ever be able to work with other able men.)

11. Ely and I proceeded at once to PriMin's Palace. As agreed, Ely presented proposal for three-day truce in order further study of situation and I followed with expression of complete concurrence. We said that our objective was to save the govt and Diem himself and to permit him to play his proper and essential role as PriMin. At beginning Diem was unreceptive, said that Sang's men, in addition to terrorism in Saigon, intended seize town of Dalat by force, and asked Ely whether he would accept responsibility for whatever happened during truce period. Ely and I said that former would do everything possible to prevent conflict. Ely agreed in his contact with Bay Vien to seek latter's agreement that National Police would not act against govt in Saigon or elsewhere. Ely and I agreed that Diem should cut off Sang's post office telegraphic communications with provinces, and expressed surprise he had not done so already. Finally Diem agreed accept three-day truce on condition, to which we agreed, that civil and military authorities react with all means at their disposal in case of attack by sect or police forces, and that at end of 3-day period he could proceed relieve Sang. Ely agreed. (Our basic proposal

provided for this being done by Diem reinforced by Bao Dai's active support. See par 8 (a) above.) Ely undertook report to Diem results of his contacts with sects. We proposed that if general agreement was reached, Diem announce truce, but without reference to US-French intervention.

12. Recommendations:

(a) I believe Ely's proposal is most promising yet made to escape from present impasse. Moreover, it has advantage of being a French proposal and conferences involved would be held in France. If it should fail it will tend to force French to be more amenable to any alternate plan we might then insist on. Meanwhile it should provide essential breathing spell during which tensions can be relaxed. I feel also that this proposal offers us a means of shifting our policy with respect to support of Diem's govt, if we conclude that to be necessary, while at the same time maintaining a solid front with France. Accordingly, I recommend Dept accept Ely's proposal in principle, subject only him working out details of consultations and specific recommendations to be made to Bao Dai. I recommend Embassy Paris be instructed to convey to French Govt our acceptance of this proposal, which Ely telegraphed to Paris following our conversation.

(b) Removal of Police Chief Sang as proposed in par 8 (a) above be included as an integral part of this plan.

(c) If plan is adopted, consultations and conferences take place in Paris.

(d) Neither Ely nor I participate in consultations and conferences.

(e) Either FonMin Do or an interim executive council composed of Do, [title deleted], and Minister for Plan be named by Diem to act for him in his absence.

(f) For immediate action, I recommend Dept instruct Embassy Paris niact make joint approach with French to Bao Dai asking him call for immediate ten-day truce in Viet Nam, beginning at expiration present three-day truce. If Dept has not completed consideration all elements this message I urge that this step of program be carried out in advance and if necessary without reference to entire plan, which has been reached at govt level. If this step would have to precede others, Bao Dai could be told that we are working on solution and require his assistance in order maintain peace during that period.

13. Your niact 4284 received just as we were finishing this message. I see no reason for changing any of above. Ref your par 4, I hope to forward very shortly program covering both short and long term aspects sect problem. We may well need some additional funds to make this program effective. Greatly appreciate Depts continued support my mission.

14. I have just learned that Bay Vien and Cao Dai have agreed truce conditions and Soai, who has not yet been reached, is expected agree a.m. 3 April.

[Collins]

93. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, April 3, 1955—11:03 p.m.

4309. Saigon's Tel 4301 repeated Paris 1151, repeated by Department to London as 5052.[2]

1. Our general policy was outlined in Department's 4284, repeated Paris as 3498.[3] We have carefully studied situation outlined reftel and have given full consideration proposal outlined by French and to your views. As much as we wish to follow your recommendations there are certain aspects of the matter which give us cause for concern.

2. What will be effect on Diem and how will proposal be put to him? Diem may not accept it and it may precipitate his resignation. Even if he did not resign, we might be put in undesirable position of having to persuade him to accede and go to Paris for proposed meeting and for Bao Dai's "arbitration", without Diem or ourselves knowing in advance what sort of solution is envisaged.

That is weakness of proposal at this stage. We don't know what meeting supposed to accomplish or what French consider is the nature of the accord they expect us to reach and which will be Bao Dai's basis for talks. To accept Ely's proposal is to commit ourselves to unknown proposition and uncertain results. Until we have some idea what solution is envisaged we should not blindly commit ourselves to approving such a meeting. If purpose were clear, it might be something else. Do you and Ely have something in mind like para 3b of your 4292[4] to propose to Bao Dai? Or does Ely have something else: What will French Government propose?

On basis Ely's outline, it appears to us Bao Dai and Bay Vien would call the tune at any such meeting. Diem would be outnumbered. French have now in effect withdrawn their support, for continuing with Diem (Paris 4285 to Department[5]). They hold whip-hand in Saigon by logistic support for national army. Bay Vien and Binh Xuyen position remains intact and their challenge to Diem and central authority has netted them important and enhanced role with Bao Dai at Paris conclave. French can hardly be expected exert preponderant pressure on Bao Dai and Sect leaders in favor of Diem which they have conspicuously failed to do during past week. They noticeably refuse refer to Binh Xuyen action as that of defiance, which to us is crucial issue to deal with.

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[1] Source: Department of State, Central Files, 751G.00/4–255. Top Secret; Niact. Drafted by Young and cleared by MacArthur, Murphy, Sebald, Wisner of CIA, and Radford of the JCS; signed by Dulles. Sent also niact to Paris as 3506 and priority to London as 5054.

[2] *Supra.*

[3] Document 90.

[4] Document 91.

[5] In this telegram, April 2, the Embassy transmitted a note from the French Government giving extensive reasons for its decision to withdraw support from the "Diem experiment" and stating in the final paragraph that "the Diem Govt must without delay become more widely based or give way to another." In telegram 4281 from Paris, also April 2, Achilles reported on a discussion with LaForest in which the French Minister told the Chargé "in blunt and forceful terms" that "the time had come to consider alternative solutions" to Diem. (Both Department of State, Central Files, 751G.00/4–255)

3. We regret there may be real differences between United States and French on approach and tactics re Bao Dai, Binh Xuyen, and Diem. Unless and until these can be smoothed out, we see no benefits but rather possible harm in Paris conclave. Basic issue is whether French at all levels in Saigon will unequivocally let Bay Vien and Binh Xuyen know France and United States support Diem and national government and its national objectives. In addition to clarifications requested in para 1, we need to know where we stand with French re Binh Xuyen.

4. As for démarche to Bao Dai on 10 day or 15 day truce as distinct from a meeting called by Bao Dai we would prefer to receive above clarifications, and Embassy's own general evaluation of situation, before committing ourselves to a truce.

5. In place of Ely proposal, we would prefer adopt a formula which attempted resolve matters in Saigon and involved neither: (a) Diem's departure from Saigon, (b) his meeting on equal plane with rebel gangsters, notwithstanding attempt at glossing through device of official French State visit and (c) key role for Bao Dai. It would seem more in keeping for French to propose Bao Dai summon Bay Vien to Cannes or Paris to take away police powers, if Bao Dai's intervention is actually needed in this matter.

6. We tentatively propose for your comment following suggestions meet situation:

a) United States and France make clear again we are fully backing Diem on condition he immediately announces broad program settle crisis;

b) His program could include items listed para 3b Collins' 4292 to Department especially (1) government reorganization and cabinet reconstitution (2) integration necessary number sect troops particularly Cao Dai and Hoa Hao into national army, satisfactory severance pay, amnesty, and assistance in civilian resettlement for those not integrated, (3) special treatment (secret funds, material benefits etc.) for sect leaders, (4) government's control of national police, (5) effort should be made distinguish between and deal differently with Binh Xuyen on one hand, and two religious sects on the other and removal of Binh Xuyen from any police or other powers, (6) reaffirmation national reform program particularly provisional national assembly, and (7) such other institutions as council of elders as might be helpful without compromising Diem's position or governmental operations. Members should not in our view include Tam, Num or Buu Hoi.

c) United States and France should agree national government free take such measures it deems necessary against Binh Xuyen to protect integrity and legitimate functions of government. If Binh Xuyen resort to arms or terrorism or reject an attempt at peaceful settlement, French would have to assure Diem they would not restrict national army as at present. It also should be made clear to sect leaders United States will not continue present large-scale financial support for Government Vietnam if sects force out Diem and set up new regime.

d) Cease-fire period during which Ely and Collins, or some other source, would assist government try settle crisis peacefully with Cao Dai and Hoa Hao in particular.

e) United States and France together obtain Bao Dai's support to this program, by any means as might be necessary.

7. Unless some understanding can be worked out with French, they should know that we will be compelled reconsider United States policy support Vietnam. We cannot envisage any person, aside from Diem, who could justify United States financial and other support on scale large enough have even reasonable chance of success. Present French tendency of neutralizing Diem, weakening and freezing his position, in effect, writing him off, and leaving Binh Xuyen intact or even in stronger position makes it even more difficult than ever for United States to carry on in Vietnam. If Binh Xuyen challenge is allowed to stand, there will be no government under Diem or anyone that we can support, and that can command respect or conduct urgently needed program in face of Viet Minh threat and problem of elections. Problem of other two sects might be worked out gradually, and we much prefer to work out matters along lines of my 4284 to you.

8. We feel that in the present circumstances a course of action more profitable for the United States, France and the Free World could be found than that put forward by the French. Basically we consider that French and United States policy should be to help Diem clear up his difficulty with the Binh Xuyen by strengthening him and by withholding any French support to this gangster mob. Once Diem has established his authority over the National Police, which is a right inherent in his position and, as we assess it, within his capability if the French give the logistic and moral[6] support we feel they should, then his problems with the religious sects could be worked out.

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[6] The words "logistic and moral" were added by a different typewriter. Apparently they are Dulles' revision.

9. French Ambassador called in by Secretary evening 3d and above position explained to him. His reaction will be reported separately.

10. Convey gist of United States position immediately to French authorities in Saigon and Paris. Embassy London should explain to Eden substance reftel and of our views.

Dulles

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94. Telegram From the Secretary of State to the Embassy in France[1]

Washington, April 3, 1955—11:05 p.m.

3507. In conversation late Sunday afternoon with French Ambassador regarding Ely proposal[2] on Vietnam problem, Secretary made following points:

1. This is very complicated situation and difficult know exactly what to do. However, we doubt calling Vietnamese together in Paris is good solution.

2. Binh Xuyen challenge to Diem strikes at fundamental issue authority any government in Vietnam. Arbitration by patron this gangster outfit would not be conducive acceptable solution.

3. Binh Xuyen should be treated differently from other two groups for it is not a religious organization with some popular support. Other two can be negotiated with over period of time on reasonable basis as they may have some surviving political future.

4. French Government should allow Diem to reestablish his authority and should not restrict his means do this. Difference in United States and French policies is that we believe he should be allowed to do this whereas French are afraid this might lead to wide conflict. If they assure Diem moral and logistic support, challenge from Binh Xuyen might evaporate or be contained.

5. If this should work out, Diem's impaired authority would be somewhat improved. We would be prepared exert pressure on him strengthen his administration to bring in elements he cannot govern without. But we do not see we have to go to Paris for this, since we both can exert, with our respective resources, more influence in Saigon, once central authority established.

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[1] Source: Department of State, Central Files, 751G.00/4-355. Secret; Priority. Drafted by Young and signed by Dulles. Sent also priority to Saigon and London.

[2] See Document 92.

6. We would be surprised if Diem would accept bid to go to Paris and have Bao Dai arbitrate between him and sect leaders, particularly Binh Xuyen. If his authority is successfully challenged, and he is immobilized, then no government will be able operate in Vietnam and whole structure may collapse. United States aid of some $300 to 400 million is involved in this matter. We do not anticipate any results of Paris meeting with Bao Dai that would justify continuing such large-scale expenditures.

Propaganda effects would also be bad in Asia for Diem to be summoned to Paris by Bao Dai for conclave with gangster rebels and sect leaders defying him.

Dulles

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95. Telegram From the Secretary of State to the Embassy in France[1]

Washington, April 4, 1955—4:27 p.m.

3510. Embassy Paris telephoned Department morning 4th reporting receipt Department telegram 3506 repeated Saigon 4309[2] and that Embassy had just conveyed substance to French. They prepared consider our position.

However in interim French wished U.S. agree today on Ely's recommendation that we and French jointly request Bao Dai to immediately instruct Diem and Sects that truce should be extended 48 hours beyond present limit.

After fullest consideration Department and on Secretary's instructions decided we would not go along with request to Bao Dai. Instead Collins instructed see Diem soonest alone and inform him U.S. convinced any restraint against Diem taking action against Binh Xuyen should be dependent only upon proper conditions to ensure success of such an act.

Accordingly we have informed French we feel strongly that Diem should be permitted exercise this right and that U.S. and French should support him in such an act both morally and logistically. Also Binh Xuyen should understand U.S. and France completely backing Diem and withhold any support Binh Xuyen including logistical support. This position of U.S. and French should be widely published and understood.

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[1] Source: Department of State, Central Files, 751G.00/4–455. Top Secret; Niact. Drafted by Hoey and cleared with Dulles (in substance) and by Young, Sebald, Merchant, Murphy, and MacArthur. Sent also niact to Saigon as 4318 and to London as 5059.

[2] Document 93.

We have not yet been able secure French approval to position outlined above and during interim pending French reply we strongly recommend to Diem that he agree to an extension of 48 hours, so U.S. can have time work out details with French along above lines. Think in his interest well as ours gain this time for coordinated position.

This delay from point view U.S. would not in any way detract from fact of Diem's legal right to take action against Binh Xuyen and to assume control of National Police.

We sincerely hope such a démarche will cause Diem agree to an extension of the truce.

General Collins should after making such statement to Diem inform Ely fully, explaining time extension asked for on two grounds:

1. To allow French time to consider reply Department telegram 3506 and to U.S. position as outlined above.
2. To allow General Collins and Ely to determine definitely whether or not Diem has capability to win an action, now if such called for, against Binh Xuyen under conditions of full U.S. French support of Diem and of withholding any support from Binh Xuyen. If not now, by when should Diem be able move?

In telephone call to Achilles afternoon 4th he was instructed inform French:

1. We oppose use of Bao Dai.
2. We have instructed Collins to see Diem privately and to request in strongest terms U.S. desire for 48 hour extension truce.
3. That Collins will keep Ely fully informed U.S. position.
4. We hope French reply to reference telegram will be provided soonest since we are dubious about further truce extensions.
5. In reply Achilles' question if we should not ask for longer truce extension to work out matters with French, we replied feasibility this must await Collins' recommendation.
6. Embassy London should inform Eden.

Dulles

96. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, April 4, 1955—7:04 p.m.

4330. Eyes only for Collins from Secretary.

"Dear Joe:

I know that you face a very difficult situation. I had assumed that a time would come when there would have to be some sort of a showdown to demonstrate the authority of Diem. That, I thought, would be the payoff. If he came through, then the future would be relatively clear. If he failed, then that would be that. In this connection, I have always assumed a considerable difference between the two religious sects and the Binh Xuyen, whom I have considered a gangster group, and I have suspected that the higher-ups got a cut in the proceeds of protection of vice in Saigon. It seems to me deplorable that Diem is not allowed to show his authority in this situation but that there has to be a 'truce' between him and the gangster group, which in effect puts them on an equality basis.

The information I get here is that the National Army battalions in Saigon are strong enough and sufficiently loyal to enable Diem to assert his authority against Binh Xuyen provided Diem has the moral backing of the French and the United States and the logistic backing of the French, who apparently ration out ammunition and gasoline on a very close basis.

I am not surprised that Diem is suspicious as to what is going on. Might it not be that if he were assured that he would have the opportunity with the indicated backing to assert his authority over the Binh Xuyen he could at the same time be persuaded to deal politically and peacefully with the Cao Dai and the Hoa Hao.

I do not for a moment doubt your analysis of Diem in that he lacks many desirable qualities. On the other hand, I thought we felt when I was in Saigon that the decision to back Diem had gone to the point of no return and that either he had to succeed or else the whole business would be a failure.

So long as he feels that he is likely at any moment to be regarded as expendable by the French and replaced, then I can understand that his natural disposition to be suspicious and not to delegate responsibility assumes an exaggerated form.

I really think that we should make a strong issue with the French on getting their backing to his asserting his authority as against the Binh Xuyen either now, if his strength is probably enough, or later in the near future if it is felt that his strength can be and needs to be increased in the interval. However, I would suspect delay under present circumstances would decrease rather than increase his prestige and authority and that unless he can act quickly the best moment will have passed.

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[1] Source: Department of State, Central Files, 751G.00/4–455. Secret; Niact. Drafted and signed by Dulles. A marginal note by Goodpaster on a copy of this telegram indicates that the President saw it on April 6. (Eisenhower Library, Whitman File, Dulles-Herter Series)

I have just been talking with the President[2] and his mind runs along with mine in the foregoing respects. On the other hand, we realize that we are far away and we both have great confidence in your judgment. Also we both have great personal confidence in Ely. However, one thing which is near at hand is our domestic problem and the practical unlikelihood that Congress will authorize continuing expenditure of funds for a successor to Diem who is picked by Bao Dai or who has the French imprint.

Faithfully yours, Foster."

Dulles

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[2] Dulles discussed Vietnam among other topics with Eisenhower at 3:30 p.m. on April 4. The following excerpt is from the report by Dulles of that conversation:

"2. I discussed generally with the President the situation in Saigon (which I had already discussed with him over the telephone late Sunday [April 3]). The President urged that we should press the French in the strongest way to permit Diem to assert his authority as against the Binh Xuyen. He said that if he failed it would be too bad, but it would be better to find out now rather than later whether the National Army on which we were spending so much money was loyal." (*Ibid.*, Dulles Papers, Meetings with the President)

No memorandum or summary of the April 3 telephone conversation has been found.

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97. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, April 4, 1955—9:06 p.m.

4331. There follows background thinking on Deptel 4309 to Saigon rptd Paris 3506.[2]

1. Problem is whether central government with authority can develop in Vietnam. Binh Xuyen challenge must be met head on sooner or later and Diem must have freedom of action maintain central authority. Question is one of timing. Does he have sufficient resources

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[1] Source: Department of State, Central Files, 751G.00/4–455. Top Secret; Priority. Drafted by Young and cleared in draft by Sebald and in substance by Tyler. Repeated for information priority to Paris.

[2] Document 93.

and dependable forces on his side now? Would he have more by waiting? But in any event continual temporizing will only serve aggravate critical problem. US Government must know whether there will be government with sufficient authority to support in Vietnam.

2. General policy re Diem does not overlook difficulties and handicaps but is still pinned to inescapable fact no suitable alternative person has yet been proposed or appeared on the scene. In our assessment, any alternate choice or combination, under present circumstances of Binh Xuyen challenge and unsettled sect negotiations, would have far less chance of producing any results with our large-scale support than does present course with all its complex difficulties. Secretary touched on this general point with Couve de Murville Sunday[3] who acknowledged French had no alternative.

3. Couve de Murville informed Secretary French Government had sent telegram Sunday to Ely which (a) approved his proposal on Paris meeting and (b) indicated Bao Dai's recent message to Diem was not intended as "blaming" Diem for shooting incident March 30–31 and that Bao Dai not hostile to retaining Diem. Couve de Murville also informed us French proposition includes (1) "committee or Directoire" representing different spiritual and other elements in Vietnamese life, (2) Government under Diem on enlarged basis of technicians which would not distinguish between new men who have not served under French and former men who have, and (3) sects should be used for well-conceived interests or purposes, given territorial responsibilities for struggle against Viet Minh and resettlement of refugees, and paid appropriately for any useful tasks they may perform.

4. In commenting on Secretary's points (Deptel 4308 Saigon rptd Paris 3507[4]) Couve de Murville said he did not have latest information on Binh Xuyen. However he thought basic question was proper evaluation of strength of both sides. He preferred to leave aside question of Binh Xuyen and discuss problem of strengthening Diem Government. He said he thought General Ely did not believe that Diem could succeed because Vietnamese of stature and ability might no longer serve with Diem.

5. We realize we and French may take different approaches and have different emphasis because of our different positions in Vietnam. French have less flexible policy and may wish to move cautiously and slowly because they have people, military forces and enterprises in Vietnam which cannot be quickly moved out. On the other hand although our material investment is relatively smaller, we do have a tremendous stake in the future of Vietnam and SEA from

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[3] April 3.

[4] Document 94.

viewpoint of our national security and prestige. For some respects, therefore, we can be more flexible than the French.

6. Department becoming concerned over press stories that "wide split" is developing between French and Americans over crisis. Saigon may point out to General Ely and Paris to French authorities that we would deplore such stories. We fully recognize grave and complex problems General Ely and General Collins are facing in Saigon and appreciate great efforts they are making to bring about practicable solution. US and France both are seeking to assist in strengthening of Free Vietnam. Whatever difficulties there may be from time to time on tactics and emphasis, we mean to keep closest touch with French here, Saigon and Paris.

Dulles

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98. Memorandum From the Assistant Director, National Estimates, Central Intelligence Agency (Kent) to the Director of Central Intelligence (Dulles)[1]

Washington, April 4, 1955.

SUBJECT

The Crisis in Saigon

1. During the night of 29–30 March minor fighting broke out in Saigon between armed members of the Binh Xuyen (the pirate–gangster group which was given control of the National Police and the Sûreté by Bao Dai) and elements of the Vietnamese National Army. The French succeeded in establishing a truce which still exists, and have deployed some 20,000 troops in the Saigon area to separate National Army and Binh Xuyen forces. Premier Diem remains determined, however, to take control of the national police, using force if necessary. The crisis in civil order has been heightened by the recent resignations of several members of Diem's cabinet.

2. In this situation General Collins has recommended that US policy in support of Diem be reviewed. He points out that Diem has had ample opportunities to build a government and has failed both to bring in strong cabinet leaders and to delegate authority. He fears that the country will not tolerate Diem's "one-man" government and

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[1] Source: Department of State, S/P–NSC Files: Lot 62 D 1, Far East, U.S. Policy Towards, Collins Report on Vietnam. Top Secret. This memorandum was made available to other members of the U.S. intelligence community by Paul A. Borel, Deputy Assistant Director, National Estimates, on April 4.

believes that the Diem government may shortly fall. He recommends, therefore, that the following alternatives to Diem be considered:

a. A new government with Tran Van Do (present foreign minister) as president;
b. A new government with Quat as president;
c. Bao Dai to return in support of a new government to be formed and led by Diem;
d. Bao Dai to return and assume presidency over a new government.

General Collins recognizes that the problem of the Sects would remain for a successor, but he fears that if Diem remains in office and pressed for military action against the Sects, there will be insubordination in the Army leading to conditions more intolerable than those existing at the time of General Hinh's insubordination.

3. Diem's main objectives since assuming office have been to establish the independent character of his government and thus to rally nationalist support and to develop and extend the authority of the National government. The present crisis is an outgrowth of his efforts to break the power of the Sects. Since the first of the year, with firm US and increased French support, Diem has been making some progress toward this end. As a result of bribes, appeals to Vietnamese nationalism, and the French stopping subsidy payments to the Sects, certain Sect leaders rallied to Diem or at least agreed not to oppose him.

4. The Sects appeared to recognize the seriousness of Diem's threat to their special position and reacted in March by forming a United National Front. The Front presented Diem an ultimatum, demanding that he resign or "reform" his government. Diem, although agreeing to consider broadening his government reacted to the challenge of the Sects by removing the Saigon–Cholon police from Binh Xuyen control and renewing his efforts to split the Sects. Within the past few days he has succeeded in rallying the second of the two major military leaders of the Cao Dai, making a total of approximately 15,000 Cao Dai troops now pledged to Diem. However, the permanence of any single rallié is dubious and probably depends on the amount of his subsidy and his estimate of Diem's power position.

5. In the present crisis General Ely has been unwilling to commit unreserved support to Diem. General Ely and the French have tended to consider the Sects' action as a part of a struggle for power between two opposing groups rather than as a challenge to a legitimate government. In part, at least, this is in keeping with the general French dislike for Diem which they have evidenced from the beginning and their reluctance to turn against the Sects. There is now a

mounting body of evidence that the French in Indochina, and particularly the military, are maneuvering with the Sects to secure the downfall of Diem.[2] The French attitude may also result from a French estimate that the Sects are too strong for Diem to cope with by force and French desire to avoid at almost any cost involvement of French forces in civil war in South Vietnam or any shooting which would endanger French civilians in Saigon. To avoid conflict they have consistently urged Diem not to resort to force against the Sects and have recommended that Bao Dai's assistance be sought in bringing the two parties together.

6. The Sects are primarily the creation of the French who developed and nurtured them in the course of applying a "divide and rule" policy in Indochina for many years. Most Vietnamese understand the long history of French relations with the Sects. If, therefore, Diem resigns or is removed during this crisis, many Vietnamese will almost certainly conclude that the French are still the arbiters of political action in South Vietnam. Many Vietnamese would conclude that efforts to build an independent national authority were futile and Vietnamese nationalism would suffer a severe blow. Moreover, if the National government gives in, the Sects will have confirmed their position as autonomous power centers and thus render even more difficult the formation of an effective central government in South Vietnam. In all probability the Sect leaders who have rallied to the central government would withdraw and seek to reestablish their autonomous position.

7. In this situation, it would be extremely difficult for a successor, who would almost inevitably be labelled a French puppet, to rally genuine national support. If a successor attempted to follow Diem's example of building national authority, he would soon be up against the same problem with the Sects and other special groups who, having won the first round, would be even more vigorous in their efforts to protect their position. South Vietnam divided between the Sects and a weakened national government would have little chance of survival against Viet Minh infiltration, let alone winning any election.

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[2] A subsequent CIA study, entitled "Reports of French Aid to the Binh Xuyen During the Present Saigon Crisis", May 5, is attached to a memorandum by Howe to Secretary Dulles, May 6. Howe summarized the paper as follows:

"Almost all of the available evidence of French aid to anti-government elements, though voluminous, is circumstantial or provided by interested sources and it would not appear that a very firm case of French involvement could be made. Nonetheless, CIA concludes that: 'During the past month, there have been significant indications that French officials in Saigon have not only overtly opposed continuation of the Diem administration but have provided covert encouragement and material assistance to the Binh Xuyen.' " (*Ibid.*, FE/SEA Files: Lot 58 D 266, Collins Mission, Miscellaneous)

8. Tran Van Do, the present foreign minister, is a weak person, of doubtful personal courage, and has little political following. Quat, while a capable person, is a Tonkinese without substantial support in South Vietnam. The return of Bao Dai, under any condition, would probably not lead to effective government. We believe his prestige is low and because of his association with the French he would not have nationalist support. Bao Dai himself has shown none of the attributes of a leader who would be capable of dealing with the difficult immediate problems in Saigon nor has he demonstrated the necessary endurance to provide sustained leadership for the future.

9. The loyalties and capabilities of the Vietnamese army in this situation are not clear. The units in the Saigon area are commanded by officers selected by Diem, and some French and US sources believe that they would remain loyal to him in the event of fighting with the Binh Xuyen. However, these units have no ammunition reserves and are dependent on the French for resupply. We agree with General Collins that there is some danger, that, if Diem uses force against the Sects, there may be some insubordination in the Army. However, we also feel that both the Binh Xuyen and Hao Hoa [*Hoa Hao*] troops are not highly motivated, and would not long resist determined force. On balance, we believe that Diem would have the capability, if given full US and French backing, of dealing with the present crisis in Saigon.

10. There is some danger that Diem may resign or that his government will fall in the immediate future. Such eventualities would be most likely if Diem should feel that he was being frustrated in his efforts to reduce Binh Xuyen power by French intervention or lack of US support. If Diem should leave office during this crisis he would probably issue a strong statement denouncing the French for intervening in defense of the Sects and the US for withdrawing support of the National Government.

For the Board of National Estimates:
Sherman Kent

99. Memorandum From the Deputy Director, Plans, Central Intelligence Agency (Wisner) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)[1]

[Washington,] undated.

SUBJECT

Reply by General Collins to Your Cable of 1 April

The following message from General Collins was received . . . on 5 April 1955. It is in reply to the message . . . to General Collins on 1 April 1955.[2]

1. The Vietnamese National Army (VNA) now has six battalions in Saigon–Cholon and seven more at the Quang Tre Training Center four kilometers northeast of the city. The latter force includes three battalions of Nung troops whose movement to this area was vigorously protested by the French. Many French officers and non-commissioned officers are in active command positions in Nung battalions. The Nungs are more Chinese than Vietnamese and their use against the sects would be a tragic blunder. We have reports that the Government is planning to bring down three additional National Army battalions from Nha Trang area. Our estimate is that the Government has ample troops now in the Saigon–Cholon area to destroy the Binh Xuyen Headquarters and capture Sûreté Headquarters. To wipe out the Binh Xuyen if the latter then went underground would be a vastly difficult task, however, and would probably lead to civil war.

2. There are estimated to be two Binh Xuyen battalions in Saigon, one at the National Sûreté Headquarters, Rue Catinat, and one dispersed throughout Cholon following the engagement of 30 March. An additional five battalions are just outside the city limits, across the Arroyo Chinois, a narrow creek. On the night of 1 April the "United Front" radio announced that four Hoa Hao battalions had been brought from the western provinces to the outskirts of the city and placed under Bay Vien's command. VNA sources say that a few Hoa Hao have been brought in by sampan, but it seems unlikely that the Hoa Hao would venture to send substantial forces. The Hoa Hao are capable of considerable harassment of ferry and road communications in the western provinces.

3. With respect to the reliability of the VNA, General Vy (believed to be strongly influenced by the French), General Ty, and some other high ranking officers are strongly opposed to initiating a

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[1] Source: Department of State, FE/SEA Files: Lot 58 D 266, Collins Mission, Miscellaneous. Secret.

[2] See the attachment to Document 89.

major armed showdown at this time. American military officers most familiar with the units in and near the city, however, believe that they are loyal to the Government and would be reliable in combat. The battalion involved in fire-fighting on morning of 30 March was ably commanded and conducted itself effectively.

4. The National Army has superior forces, and with artillery available, which the Binh Xuyen cannot match, could drive the Binh Xuyen from the city. In this event, the Binh Xuyen, after some resistance, would be likely to withdraw into the Delta area and then go south, but would have the capability of effecting considerable destruction in the city during the process as a result not only of fighting and demolitions, but also guerrilla-type actions in Cholon.

5. Bay Vien is highly unpredictable and Diem, as I have reported during the past few days, appears determined to take over the National Sûreté and the few other police installations in the city now occupied by the Binh Xuyen. The French are deeply concerned over the possibility of fighting in the city. A serious outbreak would generate strong pressures for French intervention with troops, which Ely wishes to avoid. On 30 March, French and VNA agreed on sectors of responsibility for security, under which French now guard some utilities, all bridges (except one of the two important bridges leading south from the city which is now controlled by the Binh Xuyen), and the European section of Saigon. This increases chances of French involvement if hostilities break out.

6. As reported in Embtel 4292,[3] para. 6, French cancelled some gasoline tickets issued to VNA for March. However, Ely told me categorically that tickets were cancelled because VNA officers sold them to Binh Xuyen and that Vietnamese General Staff had received all gasoline requested. New tickets for April have now been issued and VNA General Staff told O'Daniel on 3 April that they were satisfied with arrangements for gasoline supply.

7. As to ammunition, I believe it likely that supply by French to VNA has also been limited, and since the fighting on 30 March, the VNA battalions in this area have only one day's supply. Within last day or two, further supplies of ammunition have been requested but not yet furnished although they are expected on 4 April. French and VNA sources agree French have offered to turn over ammunition dumps to Vietnamese effective 15 April. VNA is now considering whether it can make available the force, estimated at one battalion, to guard the dumps. One possibility under consideration is use of Hungs [*Nungs*?] for this purpose.

8. I think it likely that VNA will continue to encounter some delays in getting matériel and supplies from French, especially if

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[3] Document 91.

latter anticipate their use in an attack on Binh Xuyen forces in the city.

9. Neither . . . nor our military attachés have given me any information as to Viet Minh infiltration into the Binh Xuyen or Viet Minh influence in enlarging the present crisis. It may safely be assumed that they will take any possible advantage of the current situation, particularly if fighting breaks out again. Binh Xuyen were allied with Viet Minh before rallying to National Government several years ago. As mercenary troops, they can be expected to have few scruples about a deal with Viet Minh if they feel it is to their advantage.

10. Cao Dai troops are, in my judgment, likely to stand aside from any hostilities in Saigon–Cholon unless accidentally involved. The firmness of their rallying to Diem has not been clearly established and their leaders have signed agreements and made statements in support of both sides. Gambiez is sure Cao Dai integration is meaningless. (See Embtel 4292, para. 2.) On the other hand, Lansdale is convinced that Cao Dai troops are firmly on Diem's side. I think it is at present unwise to assume that Cao Dai forces will respond to government orders and will support Diem in a showdown.

11. Binh Xuyen and Hoa Hao, within their areas of influence in the Baria–Nhabe and western Cochin China regions respectively, will retain, at least for a considerable time, the capability to seriously harass communications and commerce and to prevent the extension of National Government authority.

For the Deputy Director, Plans:
George E. Aurell[4]

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[4] Printed from a copy which bears this typed signature.

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100. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, April 5, 1955—midnight.

4348. Reference Deptel 4309 rptd info Paris 3506,[2] Deptel 4330,[3] Deptel 4318.[4]

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[1] Source: Department of State, Central Files, 751G.00/4–555. Top Secret; Niact. Repeated for information priority to Paris.

[2] Document 93.

[3] Document 96.

[4] Printed as telegram 3510 to Paris, Document 95.

1. Because of transmission difficulties full text your 4309 did not reach me until 0900 local 5 April. Other references came in later hours same date.

2. I shall answer pertinent points in all above reftels in this message.

3. Despite fact that para 6 Deptel 4309 indicates tentative refusal of French proposal contained mytel 4292,[5] remainder of 4309 and other reftels clearly indicate Department disapproval of Ely's proposal. This I accept.

4. I must point out dangers of position stated in para 7 Deptel 4309 "We cannot envisage any person, aside from Diem, who could justify U.S. financial and other support on scale large enough have even reasonable chance of success." I fear if this position is finalized, we will have adopted a rigid position which will allow no room for maneuver in the event that Diem either resigns or, despite our support, is relieved by Bao Dai or otherwise forced out of the govt. Aside from our security interests, in South Vietnam, we do have a considerable moral obligation to the more than one-half million refugees who have come out of the north, in large part through our aid and encouragement.

5. We apparently have failed to make clear certain points which I will seek now to clarify.

(a) Possibilities of Diem broadening his cabinet.

> (1) One of greatest threats to Diem's govt now is fact that he is today very nearly running a one-man show with his two brothers Luyen and Nhu, and a few obscure ministers acting as his only Cabinet advisers through our intervention. Do and his associates remain figuratively in the govt, but they are not consulted with respect to policy, and Do has stated categorically that he has no influence on the President. It is significant that neither Do nor any of his Tinh Than associates attended important Cabinet meeting this afternoon (see paragraph 12, following message.[6]).
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> (2) Both Do and [title deleted], with whom I have just talked concerning strengthening govt, state that no new men can be persuaded to enter govt now. Reasons they give for this condition differ, but fact remains that, in my judgment, it will not be possible to induce any able men to join govt unless they can be convinced that President will change his methods of operation, will in truth consult them with respect to policy and will decentralize to them in the execution of details of their offices.

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[5] The reference may be in error. Telegram 4301 from Saigon, Document 92, has a clearer exposition of the French proposal than the reference telegram, Document 91.

[6] In telegram 4349 from Saigon, April 6, Collins reported in great detail on his efforts to bring about a further extension of the truce. (Department of State, Central Files, 751G.00/4–655)

(3) At the moment an even stronger reason which will prevent participation of men such as Quat and Minh is that they thoroughly disagree with President's insistence upon use of force in arriving at solution of sect problems. They may be wrong in this reasoning, but fact of their disagreement cannot be challenged.

(b) Capabilities of Diem to overthrow Binh Xuyen.

This question covered in detail in message to Robertson (Saig 6273) 4 April 1955.[7] There is no question in my mind but that VN Army could drive organized forces of Binh Xuyen from city and forcibly take over Saigon–Cholon Sûreté and Police Headquarters. However, I agree with General Ely's firm conviction that this would not prevent attempts of assassination and other sporadic acts of terrorism, nor could the army wipe out Binh Xuyen if they went underground, as they have in the past, or joined in guerilla action with Hoa Hao.

(c) Possibilities of treating Binh Xuyen separately from Bao Dai and Hoa Hao.

Average Vietnamese citizen has no love for Binh Xuyen, and recognizes them for what they are. Binh Xuyen provides toughest and most ruthless leadership in so-called United Front. It is believed here that Bao Dai has been closely affiliated with Bay Vien and probably still is. Unless this relationship could be genuinely broken, through pressure on Bao Dai, I doubt that Binh Xuyen can be separated from United Front by negotiation. I do not believe that unity of sect front is genuine or lasting, and it may well be that Cao Dai would not enter civil war against army if latter took vigorous action against Binh Xuyen, particularly if Binh Xuyen leaders could be captured or eliminated. However, Ely firmly believes destruction of Binh Xuyen leaders will not result in break up of either Binh Xuyen or United Front. I have not been here long enough to challenge this assessment.

(d) Question of French assistance to Binh Xuyen.

French had equipped Binh Xuyen forces during war to fight against Viet Minh, but I know of no matériel or ammunition assistance, certainly since the beginning of the present tension. It is possible that through individuals in French or Vietnamese Army, Binh Xuyen may have been able to get gasoline but best estimates here are that their supply is quite limited. (For details on weapons see Embtel 4343.[8]) I am confident Ely would not knowingly tolerate any assistance to Binh Xuyen under any circumstances now.

(e) Possibilities of French military or logistical support of VN Army action against Binh Xuyen.

(1) These questions were discussed this morning 5 April with General Ely. He again clearly indicated FEC would not

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[7] Apparently a reference to the message from Collins contained in the memorandum from Wisner to Robertson, *supra*.

[8] In this telegram, April 5, the Embassy reported frequent rumors in Saigon that French officials were supplying sub rosa the Binh Xuyen and other sects with arms. The Embassy knew for a fact that the French had just broken a black market ring of arms sales by Foreign Legionnaires and others. In both cases, the quantity of arms could not be verified. (Department of State, Central Files, 751G.00/4–555)

actively participate against Binh Xuyen or other sects. On other hand he informed me VN Army controls number of ammo dumps now and four or five days ago he offered to turn over to army an ammo depot in Saigon if they would assume responsibility for its security. VN Army, according to Ely, replied orally that it did not wish to take over this depot. (President probably knows nothing about this.) Ely insists that in no sense has he or the FEC been attempting to curb operations of VN Army. New gasoline forms were required because many old ones had been reported sold to Binh Xuyen by VN Army officers. Ely says army has ample ammunition to initiate any action they may desire against Binh Xuyen, and if they assume control of the Phu Tho Depot they should be able to take care of their own ammo supply.

(2) Reference "basic issue" in para 3 Deptel 4309. I am convinced Ely has no sympathy whatever for Binh Xuyen. He has agreed that Diem must replace Police Chief Sang and assume control of National Police and Sûreté at time or under conditions which would be unlikely to lead to civil disorders. He does strongly feel that timing of this must be carefully weighed, and that Diem's present intentions will lead to civil war in which FEC is determined not to become involved. I feel sure that Ely has instructions to this effect from his government.

6. It appears to me the essential thing now is to secure further extension of truce, if possible. To this end, I took action as reported in next following message.

[Collins]

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101. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, April 6, 1955—5:15 p.m.

4361. FYI: We have been working on problem of elections in Viet-Nam, in great detail over last several weeks.[2] NSC has asked Department submit policy for consideration by mid-April and we sure elections will be discussed during proposed U.S.-French talks

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[1] Source: Department of State, Central Files, 751G.00/4–655. Top Secret; Limit Distribution. Drafted by Hoey and cleared by Young, Sebald, Tyler, and MacArthur and with Dulles in substance. Repeated for information to Paris. Printed also in *United States–Vietnam Relations, 1945–1967,* Book 10, pp. 892–893.

[2] More information on the question of elections in Vietnam is in a memorandum from MacArthur to Dulles, April 1, and a draft paper, "U.S. Policy on All Vietnam Elections", also April 1. (Department of State, Central Files, 751G.00/4–155 and 751G.0/4–455, respectively)

Washington April 20.[3] British have offered give us their views on elections prior those talks.

We feel best solution is for us be in position inform French British our views prior talks and believe it best we can put such forward as support of policy of Free Viet-Nam rather than as unilateral U.S. recommendations.

Our proposal is based on Eden's plan put forward at Berlin Conference for all German elections and already approved by France for use Germany and rejected by the Communists. Basic principle is that Free Viet-Nam will insist to Viet Minh that unless agreement is first reached by the latter's acceptance of safeguards spelled out, no further discussions are possible regarding the type of elections, the issues to be voted on or any other factors.

After we have Diem's general acceptance we can proceed inform UK and France of this plan which we think only formula which ensures both satisfactory response to Geneva Agreement and at same time plan which is unassailable in intent but probably unacceptable to Communists because of provisions for strict supervision to ensure genuinely free elections. End FYI.

You should speak to Diem privately regarding elections, without showing him formula outlined next telegram.[4] We are not now attempting secure his approval as such to our position but to assure he understands our viewpoint and accepts it to degree we can proceed with French British on broad assumption Free Viet-Nam's position similar our own.

Believe best way accomplish this is to remind him of his and foreign minister's conversations with Secretary on this subject[5] and to continue that in specific cases of elections in Korea and Germany Free World has stood firm on issue of guarantees of genuine free elections, supervised by body having authority guarantee elements free elections (outlined last paragraph following telegram). In each case Communists have refused accept these safeguards which we think basic and fundamental. We believe unless such guarantees previously agreed upon would be dangerous for Free Viet-Nam be drawn into further discussions other issues of election. Ask Diem if we can assume our thinking is alike on this point.

Since time exceedingly important, hope we can have affirmative answer soonest.

Dulles

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[3] Memorandum from Cutler to Dulles, March 23. (*Ibid.*, S/P–NSC Files: Lot 61 D 1, Far East, U.S. Policy Towards, Collins Report on Vietnam)

[4] *Infra.*

[5] See Documents 50 and 51.

102. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, April 6, 1955—5:15 p.m.

4362. Deptel 4361.[2]

Begin text.

1. US has encouraged and will continue encourage Government Free Vietnam to participate in consultations about elections scheduled for July 1955 by Geneva Accord. US recognizes that Free Vietnam not bound by Geneva Accord, believes it would be beneficial to domestic political strength Free Vietnam and international position of its government if Free Vietnam entered into scheduled negotiations about elections with the Vietminh. US believes Free Vietnam and the Vietminh should be the only principal parties in the negotiations.

2. US believes central question is whether or not Communists will agree to conditions which will allow elections to be a genuinely "free expression of the national will" as called for in the Geneva Agreements. US understands that Free Vietnam will insist on Communist agreement to conditions which will guarantee genuinely free elections. The US fully supports this position. If the Communists will not agree to such conditions the US believes it would be dangerous for Free Vietnam to be drawn into discussion of other questions of detail regarding elections, since fundamental condition for the holding of elections would not have been met, and negotiations on electoral details might tend establish assumption that elections would be held even if the conditions for free elections were not present. US believes that unless conditions for genuinely free elections are established the result could only be fraudulent elections in Communist-controlled North and a resultant Communist victory in elections throughout all Vietnam. None of the Western allies could give approval to fraudulent elections which would result in abandonment of millions of free people to Communist control, including hundreds of thousands who have already left their homes to seek refuge in the South from Communist oppression.

3. US believes that conditions for free elections should be those which Sir Anthony Eden put forward and the three Western powers supported at Berlin in connection with German reunification. US will therefore support Free Vietnam insistence that elections be held in conditions of genuine freedom; that safeguards be agreed to assure this freedom before, after, and during elections; and that any Super-

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[1] Source: Department of State, Central Files, 751G.00/4–655. Top Secret; Priority; Limit Distribution. Drafted by Stelle and cleared for transmission by Sebald. Repeated for information to Paris.

[2] *Supra.*

visory Commission have full powers to act to ensure free elections and to guarantee against prior coercion or subsequent reprisal. Likewise there must be adequate guarantees for, among other things: freedom of movement; freedom of presentation of candidates; immunity of candidates; freedom from arbitrary arrest or victimization; freedom of association and political meetings; freedom of expression for all; freedom of the press, radio, and free circulation of newspapers, etc. . . ;[3] secrecy of the vote; security of polling stations and ballot boxes. *End text.*

Dulles

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[3] Ellipsis in the source text.

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103. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, April 6, 1955—7:21 p.m.

4366. 1. Re Saigon's 4349 repeated Paris 1168,[2] para. 18: Department concurs in recommendation (in which we understand Ely concurs) that US and French Governments "make joint approach to Bao Dai to secure his agreement to back Diem fully not only in dismissing Sang but in removing police entirely from Binh Xuyen control". However Department concurs in this approach to Bao Dai on condition that French Government accepts purpose of such intervention in exactly same terms as quoted from Collins reftel above. In addition we believe there should be French-US agreement on time limit for Bao Dai to take the necessary action along the lines of joint recommendation. As far as Bao Dai is concerned, the Department would strongly hope US and French representatives would insist on seeing text of his telegram. In making this joint démarche American representatives should present US position as contained in paragraphs 1 and 3 Deptel 4284 to Saigon repeated Paris 3498.[3] In addition US representatives should inform Bao Dai that we believe Diem has inherent right as well as capability reestablish authority of central government over national police. If this is done, conditions would be created which could lead to constructive strengthening of government under Diem and possibly satisfactory adjustment of role and functions of religious sects. But if Diem's authority is defied and immobilized, then no government will be able to operate in Vietnam and structure may collapse. Mockery will be made of sacrifice and heroism of anti-Communist Vietnamese including refugees. Furthermore contemplated US aid of several hundred million dollars this year could therefore not be justified. Any other points in recent Deptels which Embassy Paris feels would be persuasive should also be made to Bao Dai.

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[1] Source: Department of State, Central Files, 751G.00/4–655. Top Secret; Niact. Drafted by Young and cleared in draft by Dulles, Sebald, the Counselor's office, and WE. Sent also priority to Paris.

[2] See footnote 6, Document 100.

[3] Document 90.

2. As this is matter of grave importance, the Secretary wishes Achilles make this representation on behalf US in order assure maximum strength and effectiveness of démarche.[4]

3. French Government officials and General Ely apparently believe that it is not possible to divide sects in two categories and that therefore the sects should be treated as one and assumed to be united (Paris 4328 repeated Saigon 635[5] and Saigon's 4348 repeated Paris 1167,[6] para. 5–c). This is fundamental divergence in US and French approach at the time. If our position is valid that religious sects on one hand and Binh Xuyen on other can be treated differently as suggested in general terms in recent Deptels, Department would like to have soonest from Saigon specific plan of how Cao Dai and Hoa Hao might be neutralized and separated from Binh Xuyen.

Dulles

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[4] Dillon and Achilles did this with French officials on the afternoon of April 7 and found, as reported in telegram 4376 from Paris, sent that day, that the French objected to such a démarche on the grounds that any removal of Sang would have to be part of a larger Franco-American request to Bao Dai to influence Diem to broaden his government and give representation to all factions including the Binh Xuyen. (Department of State, Central Files, 751G.00/4–755)

[5] Dated April 5, not printed. (*Ibid.*, 751G.00/4–555)

[6] Document 100.

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104. Memorandum of Discussion at the 244th Meeting of the National Security Council, Washington, April 7, 1955[1]

The President presided at this meeting. Also present were the Vice President; the Secretary of State; the Acting Secretary of Defense; the Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Others present were Mr. H.

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[1] Source: Eisenhower Library, Whitman File, NSC Records. Top Secret. Drafted by Gleason on April 8.

Chapman Rose for the Secretary of the Treasury; the Director, Bureau of the Budget; the Federal Civil Defense Administrator (for Items 1 and 2); the Chairman, Atomic Energy Commission (for Item 7); the Director, U.S. Information Agency (for Items 4-8); the Acting Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force (for Item 3); the Chairman, Joint Chiefs of Staff; the Chief of Staff, U.S. Army, the Chief of Naval Operations, the Chief of Staff, U.S. Air Force, the Commandant, U.S. Marine Corps, and General B.G. Barksdale Hamlett, USA (for Item 3); the President, Board of Commissioners, District of Columbia (for Item 1); the Director, Office of Civil Defense, District of Columbia (for Item 1); Mr. Ralph E. Spear, FCDA (for Items 1 and 2); the Acting Director of Central Intelligence; the Assistant to the President (for Item 2); Special Assistants to the President Anderson, Dodge, and Rockefeller; the NSC Representative on Internal Security (for Items 1 and 2); Mr. Robert R. Bowie, Department of State; the Naval Aide to the President; the White House Staff Secretary; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the main points taken.

[Here follows discussion of items 1. "Presentation on D.C. Civil Defense Plans", 2. "Status of United States Programs for National Security as of December 31, 1954: The Civil Defense Program", 3. "Status of United States Programs for National Security as of December 31, 1954: The Military Program", 4. "U.S. Policy Towards Japan", and 5. "Significant World Developments Affecting U.S. Security".]

6. United States Objectives and Courses of Action With Respect to Southeast Asia (Progress Report, dated March 25, 1955, by the OCB on NSC 5405[2])

At the conclusion of General Cabell's remarks on the Saigon situation,[3] Mr. Dillon Anderson inquired if the Secretary of State would care to report on these developments.

Secretary Dulles described the situation as extremely critical. The French, with the notable exception of General Ely, were obviously eager to see the Diem Government fail and be replaced by a pro-

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[2] Not printed. (Department of State, OCB Files: Lot 62 D 430, Southeast Asia)

[3] The report of these remarks, made in the course of the discussion of "Significant World Developments Affecting U.S. Security", reads as follows:

"General Cabell then said he wished to make a few comments on the crisis in Saigon. The seven-day extension of the truce between Premier Diem and the sects had postponed for a time the showdown between these opposing forces. The French were obviously not strongly supporting Prime Minister Diem. General Cabell concluded with an analysis of the relative strength of the National Army and the armies of the three sects."

French regime. Indeed, the French had gone so far as to propose that Bao Dai summon Diem and the leaders of the sects to Cannes or Paris and there arbitrate the conflict. While the French had now dropped this proposal, it was quite clear that because of the very close tie which existed between Bao Dai and the Binh Xuyen gangster group, Bao Dai's arbitration would have gone against Prime Minister Diem. The real problem, of course, was that Bao Dai in a sense represented the principle of legitimacy. It would be awfully helpful if someone could "take care" of Bao Dai. Unfortunately, his proceeds from the Binh Xuyen, who controlled the brothels and gambling houses in Saigon, were so vast that nobody had enough money to bribe him successfully.

Secretary Dulles explained that he felt that Prime Minister Diem should have been permitted by the French to pit his National Army against the sect forces and subdue them. The French, however, had refused to go along with this proposed course of action. The French refusal was the more exasperating inasmuch as the Vientnamese National Army had been developed and designed precisely for the purpose of maintaining internal security and public order, as opposed to resisting overt aggression. If the French refused to permit the National Army to carry out its mission, said Secretary Dulles, it will be necessary for the United States to reconsider its whole policy toward Free Vietnam. Unfortunately for such a reconsideration, there were no very good alternative policies in sight.

The National Security Council:[4]

a. Noted an oral report by the Secretary of State on his appraisal of the situation created by the conflict between Premier Diem and the sects in Saigon.

b. Noted the reference Progress Report on the subject, together with the Supplement thereto entitled "Summary of Developments in Indochina", by the Operations Coordinating Board.

[Here follows discussion of items 7. "The Peaceful Uses of Atomic Energy" and 8. "U.S. Aid to France".]

S. Everett Gleason

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[4] The following paragraphs constitute NSC Action No. 1376, a record copy of which is in Department of State, S/S–NSC (Miscellaneous) Files: Lot 66 D 95.

105. Telegram From the Special Representative in Vietnam (Collins) to the Secretary of State[1]

Saigon, April 7, 1955—7 p.m.

4382. 1. Department deliver to Secretary 8 a.m. local time 7th.

2. Ely received me at 1100 7th with no French staff present. He wished to inform me without reservation of results of his reflections on present crisis. He said he had not yet informed his government of views he was about to express. Ely said our mission here is identical, to save Vietnam for free world and to bar Communist advance in Southeast Asia. He said he viewed this mission as one of exceptional importance and believed no future assignment he or I might have would carry graver responsibility, since we are the "key figures" in present situation.

3. Ely said he and I have been asked to save Vietnam, with Diem. He said he believes we have done everything possible, even if he for his part may have been maladroit at times. Thus far we had avoided civil war, which would mean loss of Vietnam. He continued saying Diem can no longer be saved except at cost of overcoming enormous difficulties, and if he is saved, we shall have spared for Vietnam the worst Prime Minister it ever had.

4. Ely believed Diem is entirely isolated save for his family and perhaps a dozen friends. Army has virtually abandoned him; intellectuals are against him; and the masses are not for him, but rather for whoever is willing exert effort to win and hold them. Diem's prestige has dropped dangerously in provinces, and in army only two or three leaders are loyal to him.

5. The joint approach to Bao Dai which we had agreed to recommend to our governments might save Diem temporarily, but latter's problems would [be] identical. Ely said that for a Nationalist, Diem is in extraordinary position of being supported only by Ely and myself and in consequence is more of a puppet than any of his predecessors. He said he felt deeply it was in interest of Vietnam and free world that Diem not be saved. He said on contrary Diem must be rapidly replaced since continued delay can only compromise future of Vietnam. Accordingly, he said, he and I must demonstrate to our governments it is impossible to continue longer on present course and our governments must now ask Bao Dai to remove Diem and name a successor.

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[1] Source: Department of State, Central Files, 751G.00/4–755. Top Secret; Niact. Repeated for information niact to Paris for Dillon and Achilles. In a memorandum from Dulles to Eisenhower, attached to the source text, the Secretary suggested that the President read this cable as well as telegram 4399 from Saigon, *infra*.

6. Ely went on to say that in his opinion Vietnam can still be saved, and cited these favorable factors:

a. Viet Minh are not as active in Vietnam as one might have feared.
b. Economic situation is relatively good, as compared with north.
c. Population is still relatively neutral and can yet be taken in hand.
d. Army contains good raw material that can be whipped into respectable shape in next few months by TRIM.
e. The government has in its files excellent plans and reforms, worked out by us, which can be implemented by a new and more efficient government.

7. Ely said these favorable elements were reinforced by absolute obligation which French and US have towards refugees, whom they have rescued from north.

8. Ely said he would not pretend Diem's record was all bad, and would hope Diem might be included in a future Cabinet. To Diem's credit, Ely cited relative calm which was maintained after Geneva, services rendered to refugees, and social plans which have been adopted under Prime Minister's direction. However, he continued, another man is urgently required to carry out major programs and prepare for elections. We should not, he said, say Diem experiment had been a mistake, but rather that his time is now past and choice of a new man is imperative.

9. Ely said importance he attached to his and my collaboration was such that he had informed me of his conclusions before speaking of them even to his closest associates. He added that day before yesterday he had believed we must continue to support Diem but that today, April 7, after a full day of "soul searching" from all angles, he was forced to conclude that in order to save Vietnam for free world, Diem must be replaced. He said he realized I would need time to consider his remarks and did not ask for an answer at once.

10. I told Ely I appreciated his sincerity, frankness with which he had spoken, and gravity of his views. I asked if I was to take these views as final. He said that I was so to take them and that they had been arrived at in full consciousness of his civil and military responsibilities. He said he had gathered as much information as he could and had considered problem entirely independently. I said if action was taken along lines he proposed, the first question to consider would be possible successors. Ely replied he was prepared to accept anyone but Diem, provided new appointee did not mark return to colonialism. He said he had made no specific inquiry of his staff but that he could cite following as possible successors: Quat, Foreign Minister Do, Minister for Plan Thoai, and former Defense Minister Minh. I did not discuss this list with Ely, who offered it only by way

of example, but did say that my information indicated there might be widespread opposition to Quat as northerner, Dai Viet and persona non grata to sects. Ely replied he did not take these objections to Quat very seriously and said everything possible should be done to prevent change of administration from appearing as victory for sects. I said to Ely I believed it would be very difficult to prevent any other interpretation by press and public.

11. I told Ely I would have to have time to consider his statement but that I believed I could say Washington might not be willing to give any consideration to replacement of Diem until after French-US had brought maximum pressure on Bao Dai to back Diem fully in relieving Binh Xuyen completely of police and sûreté controls. I said in any case this must be done. Ely said he agreed Binh Xuyen could not be allowed continue control police, but he felt this change must be made within framework of a new and general solution. As for our bringing pressure on Bao Dai and Bao Dai's bringing pressure on Binh Xuyen, it was quite possible that sects might be unresponsive to Bao Dai and might go underground, possibly even with tacit concurrence of Bao Dai. Ely commented once more on the anomaly of Bao Dai's being 12,000 kilometers from scene of action and endowed with authority which he can assert without risk to himself. He added hastily however he did not favor Bao Dai's return to Vietnam. Ely went on to say he agreed with me that if government were changed, police control should be changed within overall new framework.

12. I told Ely I would have to report his views to Department but would restrict dissemination of them here. He said he would, of course, report to his own government at once, similarly restricting distribution.

13. I said to Ely I could not at once tell him whether I agreed with his position or not. I was inclined to feel we had not gone far enough in our support of Diem to render such a change acceptable now. Ely said he was certain that we stand on the verge of a grave crisis. He feels uneasy movements of all sorts throughout Vietnam, Communist or "Progressive" inspired.

14. I remarked that if change in government were made that would not get at root of sect problem, and any new Chief would have same difficulties. I analyzed present crisis as arising from fact French had stopped aiding sect suppliers, by agreement with US, and from Diem's and our steps to create a single army, and various reforms which threaten sect position and privileges. I added that unless we could agree on solution to sect problem, we would do no more than preserve intact for any new Prime Minister same problems which have beset Diem. Ely agreed sect problem must be solved but said it was more vast than my analysis indicated. At present it has

reached state in which personal animosity between Diem and sect leaders is such that no compromise between them is possible.

15. I said I believed we had discussed this matter enough for time being. I agreed Diem is exceedingly difficult for everyone to do business with. I said I was not sure a change would solve our problem. In any case, if there is change of government, there must be firm agreement between France and US, with agreement of Bao Dai, enforced if necessary, that our various programs will be completely supported. I suggested Ely quickly complete his study of our current proposal for treating sect problem (Embassy telegram 4373[2]) and that we discuss it later in day. He agreed meet with me at 1730.

16. I asked Ely if he thought Quat or Do or another would accept office of Prime Minister. He said he had no doubt of it. While nearly everyone is reluctant to serve under Diem, there is no problem about finding people willing to take over top job. I said I was sure Diem would not remain in any future Cabinet but would probably withdraw to write a White Paper attacking France and US. Ely said he thought best solution for Diem would be some kind of "mystic mission" to deal with Vietnamese refugee problem, which is a world problem, at a world level.

17. My personal comments and recommendations will follow, after some further reflection, in special message to Secretary.[3]

[Collins]

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[2] As reported in telegram 4373, April 6, the Franco-American working group proposed that Diem make a declaration outlining the following plan: integration into the National Army of 10,600 and demobilization of 6,000 Cao Dai, integration of 7,300 and demobilization of 7,200 Hoa Hao, and integration of 1,500 and demobilization of 4,000 Binh Xuyen; employment of integrated sect troops for security purposes in their territories of influence; and assistance for demobilized sect troops on the same terms as men released from the National Army. (*Ibid.*, 751G.00/4–655)

[3] *Infra.*

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106. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, April 7, 1955—11 p.m.

4399. For Secretary from Collins.

Dear Mr. Secretary:

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[1] Source: Department of State, Central Files, 751G.00/4–755. Top Secret; Niact.

Even before receiving your kind letter (Deptel 4330[2]) I had been considering writing you personally as to my estimate of President Diem's chances of successfully remaining as President of Viet Nam. I have just filed a despatch (Embtel 4382[3]) giving General Ely's final views on this point. You and the President are entitled to my judgment in light of this and other recent events.

As you know, I have been doing everything within my power to assist Diem in accordance with my original directive from the President and subsequent instructions from you and the Department. In various messages, and in my January report, I have indicated my growing doubts as to Diem's capacity for leadership under the difficult and complex conditions existing in Viet Nam.

I must say now that my judgment is that Diem does not have the capacity to achieve the necessary unity of purpose and action from his people which is essential to prevent this country from falling under Communist control. I say this with great regret, but with firm conviction.

During the five months that I have been here I have come to admire Diem greatly in many ways. He has valuable spiritual qualities, is incorruptible, is a devoted Nationalist, has great tenacity. However, these very qualities, linked with his lack of practical political sense, his inability to compromise, his inherent incapacity to get along with other able men, and his tendency to be suspicious of the motives of anyone who disagrees with him, make him practically incapable of holding this government together. As I have often pointed out, he pays more attention to the advice of his brothers Luyen and Nhu than he does to General Ely or me. He has consistently failed to decentralize responsibility to his ministers, or to consult with them in advance of reaching important decisions. This has resulted in the resignation of the few able men in his Cabinet who were not "yes men".

I agree with the appraisal of General Ely and of men like Dr. Quat, Do and Minh, that Diem will not succeed in getting any new men of ability to join even a reorganized government. Damaging as the above facts are, perhaps even more serious is the President's apparent incapacity for creative thinking and planning. At no time since I have been here has he offered to me a single constructive thought of his own volition. All of the progressive programs which we have attributed to him have in fact been developed through the cooperative efforts of General Ely and me, and our staffs. I am still not sure whether Diem really grasps the full significance of these programs, or the great difficulties of implementing them. Instead of sticking to the clear but difficult road leading to the conversion of these paper plans into accomplished facts, Diem has been ever ready like Don Quixote to dash off on side excursions to tilt with windmills. And while bent on these excursions, whether they be to displace officers of the army whom he regarded as loyal to General Hinh, to take action against Soai or Ba Cut, or to relieve a police chief, he loses all sense of direction toward the essential goals, and it is almost impossible to bring him back to the high road. We have had many such tiltings.

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[2] Document 96.

[3] *Supra.*

In summary, despite his several fine qualities, it is my considered judgment that the man lacks the personal qualities of leadership and the executive ability successfully to head a government that must compete with the unity of purpose and efficiency of the Viet Minh under Ho Chi Minh.

In saying this I hasten to add that I do not believe that Diem is indispensable for the accomplishment of our purposes in Viet Nam, that is, to save the country from Communism. Programs which General Ely and I have developed are, I believe, sound and susceptible of accomplishment. But our successors here must have a President and a Cabinet to work with, which to some degree will talk our language and will stick steadfastly to the implementation of these programs.

I believe that Tran Van Do or Dr. Quat could form and successfully head such a government.

If our government should accept such a change, I would urge that we stipulate as a prior condition the removal, by President Diem with the complete support of Bao Dai, of the control of the National Police and Sûreté from the Binh Xuyen. You may feel that if this is done, Diem should be given further time to see whether he can broaden his government and speed up progress. I believe it would be better not to wait. By having saved a certain amount of face for Diem by the transfer of police powers from the Binh Xuyen we should then accede to the appointment of Do or Quat as President of the country.

I feel it better not further to lengthen this letter by outlining the successive steps which I would recommend be followed in order to constitute a new government and settle the short and long term problems of the sects. I shall be prepared to submit such recommendations promptly, if you so desire.[4]

I fully appreciate gravity of the recommendations I have made above. I need not tell you with what a heavy heart I file this message. However, it is by no means with a feeling of defeat for our objective here. I still feel that under proper native leadership, which can be had, the programs which we have initiated can still be made effective and can save Viet Nam from Communism.

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[4] See Document 108.

Faithfully, Joe Collins.

[Collins]

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107. Memorandum of a Conversation Between the Director of the Office of Philippine and Southeast Asian Affairs (Young) and Senator Mike Mansfield, Department of State, Washington, April 8, 1955[1]

SUBJECT

Situation in Free Viet-Nam.

Senator Mansfield read General Collins' 4382 and 4399.[2] I summarized orally Paris' 4376.[3]

The Senator's reaction to these telegrams was as follows:

1. The US should stick to its guns in continuing to support Diem. He is the truly nationalist leader in Free Viet-Nam who has any chance of saving Free Viet-Nam. That chance is small much less than the 50/50 figure that General Collins was giving when he was here in Washington. But the importance of Southeast Asia is so high and our stake is so great that we must take even that chance.

2. Ngo Dinh Diem and Ho Chi Minh are the only two national leaders in Viet-Nam. To eliminate Diem will leave the field to Ho. Diem has a lot of support in Central Viet-Nam and even in the southern part. We cannot ignore over a half million refugees who probably know of and support Diem.

3. Dropping Diem now would probably lead to chaos and disintegration. The Binh Xuyen would clearly be on top if we drop Diem. The French are not to be trusted in any event. The Cao Dai and the Hoa Hao are self-interested. Bay Vien and his gang are totally unreliable. The issue with them has to be met head on sooner or later. Diem has demonstrated that he understands this problem and will meet it. The French have stopped him. Even the second truce is probably undesirable. The government should be free to take care of the Binh Xuyen challenge or go down—this government or any government would face the same problem.

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[1] Source: Department of State, Central Files, 751G.00/4-855. Top Secret. Drafted by Young. Copies were sent to Dulles, Murphy, MacArthur, Merchant, Robertson, and Tyler.

[2] Document 105 and *supra*.

[3] See footnote 4, Document 103.

4. If we drop Diem now, it will have a very bad wide-spread effect on United States prestige in Asia. It will also hurt Viet-Nam and the cause of free nationalism at the Bandung Conference.[4]

5. If we stick to Diem, even though it may mean difficulty with the French, the President or the Secretary should make a public statement just as soon as possible clarifying our position.

The Senator said he could be wrong in his analysis but he still saw no new evidence to change his view. He had read these telegrams and the ones a week ago from Collins. Nevertheless, he still felt we had no alternative. But he expressed himself strongly that if we continue our present policy in Free Viet-Nam we should support it vigorously and publicly to get the maximum benefit from it and to prevent any confusion as to where we stand. This will be important in Asia. We have nothing to be ashamed of in supporting Diem in the past or in the future. But it should be clear to all why and to what extent we are supporting Diem.

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[4] The Conference of Asian and African States at Bandung, Indonesia, April 18–24, 1955.

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108. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, April 9, 1955—10 p.m.

4448. For Secretary from Collins. Department telegrams 4411[2] and 4412.[3] This message in two parts. Part I follows.

Part I. Successive steps recommended as follows:

1. Transfer National Police and Sûreté from Binh Xuyen. Two possible methods of doing this depending on whether objective is to

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[1] Source: Department of State, Central Files, 751G.00/4–955. Top Secret; Niact. Also printed in *United States–Vietnam Relations, 1945–1967,* Book 10, pp. 894–906.

[2] In this telegram, April 8, the Department requested Collins' recommendations for establishing a new government in South Vietnam and solving the long- and short-term problems of the sects. (Department of State, Central Files, 751G.00/4–755)

[3] In addition to general recommendations, the Department requested in this telegram, also dated April 8, Collins' views on the following: a) local French reaction to military action by Diem against the Binh Xuyen; b) Diem's and local Vietnamese response to his removal by Bao Dai; c) potential transferability of the loyalty of the National Army to a successor; d) an assessment of Diem's political assets among the Catholic community, the refugees, and grass-roots nationalists, as well as in Diem's home area, Central Vietnam; e) the Viet Minh reaction to Diem's removal; and f) the mechanics of removal and the public explanation for such an abrupt change in U.S. policy. (*Ibid.,* 751G.00/4–455)

save face for Diem or Binh Xuyen, point about latter being to secure their peaceful cooperation with new government.

a. To make it easier for Diem to resign and prevent Binh Xuyen from claiming victory in present crisis, we would insist, as prior condition, on transfer of police to government by ordinance issued by Diem, but openly supported by Bao Dai and possibly French and U.S. Public support by Bao Dai probably essential to avoid further bloodshed. In this case Binh Xuyen might be forced to bow but might try to sabotage new government in variety of ways. (I should note that French will oppose this step. Although he once favored it, Ely has now said he could not agree to it. French fear bloodshed if Binh Xuyen lose control of police under Diem and believe new Prime Minister should have political advantage of regaining control of police for government.)

b. In order induce cooperation of Binh Xuyen with new government, it might be advisable to offer Bay Vien a chance to save face by his "voluntarily" proposing that control of police be transferred to new government. I have just had conversation with Foreign Minister Do. Without indicating our possible thinking, I asked Do if he thought Bay Vien might relinquish police controls to any new government. Do said he felt that with proper approach, this might well be possible. He insists it would not be possible for Diem to achieve this. Do fully agrees that any new government would have to take over police controls, but feels strongly that everything possible should be done to secure cooperation of Binh Xuyen with new government. I believe that if Bay Vien were convinced ahead of time that U.S., France, Bao Dai and any new Premier would insist on government taking over police, he might well agree to make this offer himself. I believe this method preferable to 1a. above unless Washington feels Diem's prestige and perhaps our own must be protected by following method 1a.

2. Persuade Diem to resign, or if he refuses, have Bao Dai relieve him.

a. Better solution would be resignation by Diem. If method 1a. above is followed, Diem could bow out somewhat gracefully "in order to heal the wounds" caused by recent events. We could possibly draft a statement for him.

b. Distasteful as it would be to use Bao Dai if Diem will not resign, I see no other legal method of replacing him.

c. For timing as to notification of Diem, see paragraph 3f. below.

3. Choose successor to Diem as President of Council.

a. I believe it is most important to place on French the onus and responsibility of designating Diem's successor. French are all too ready to place onus Diem's lack of success on U.S. It would be preferable therefore for the head of new government to be proposed by French and concurred in by the U.S. Ely indicated that he would favor Quat, Do or perhaps even ex-Defense Minister Minh. He stipulated as primary requisite that any new government must avoid taint of colonialism. Hence I believe that if Ely's advice were followed French Government would not propose Buu Hoi, Tam or Huu. Our opposition these men has been made clear to French.

b. See my telegram 4263[4] for discussion of possible successors. Of course, we would have to come to agreement with the French on a successor and I would now recommend either Do or Quat.

c. After France and U.S. have agreed on a man, Bao Dai's consent must then be obtained. This would have to be done through Paris.

d. Bao Dai would then summon the nominee to Paris for consultation. If possible, this should be done secretly. If Quat were the choice, it might be done without a leak since he has made a couple of trips to Paris within the past year.

e. Assuming nominee would accept task of forming government, he would have to return at once to Saigon for consultations. These consultations should commence with discussions with Ely and me, who would inform him as to nature of programs which U.S. and France would support. Armed with this knowledge, he could then proceed with conversations with prospective ministers, representatives of various political parties, and leaders of the sects.

f. I feel that as soon as nominee has accepted, Diem should be invited by Bao Dai to resign or else be relieved. Under no circumstances should Diem be told of plan before French and U.S. have approached Bao Dai and gained his assent; to inform him could give him damaging material for his "White Paper". Effort should be made by Bao Dai to have Diem remain in office until his successor is prepared to take over. If he should refuse to do this, which is wholly possible, Bao Dai would then have to designate, preferably from present Cabinet, someone to act as interim President of the Council. Unquestionably, as soon as Diem receives such notification, he will call on me to find out what information I have and perhaps to ask for advice. I would propose replying that I had been notified by my government of decision of Bao Dai, and would seek to persuade Diem to remain in office until his successor could take over. We should be willing to assist him in preparing a statement which he might issue as indicated in paragraph 2a. above.

4. Reach agreement between U.S., France, and new President on program for solution of sect political and military problems. It is believed that an agreement would have to be reached between Ely, the new President, and myself, on a program for solution of the political and military problems of the sects. This would require a prior agreement between French and U.S. Governments along the lines of our proposals contained in Embassy telegram 4373.[5] These proposals are being actively studied now by General Ely's staff. We expect to come to agreement here within 48 hours. Approval will still be required from Washington, particularly as to added costs which are involved in the induction of more sect personnel than originally contemplated, severance pay for sect personnel to be demobilized, and larger aver-

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[4] Document 84.

[5] See footnote 2, Document 105.

age strength of armed forces for FY 1955, caused by slow-down in discharge of Vietnamese army personnel as a result of present sect crisis.

5. Obtain agreement of sects to proposed solution of their problems.

a. Next step would probably be for new President to meet with leaders of sects and obtain their agreement to solution arrived at under paragraph 4 above. He would have to make clear to sects that this was best program they could possibly obtain and that it was only way to continue American and French financial and moral support, without which the country could not possibly be saved from Viet Minh and Communism which sects profess to detest.

b. It is our thought that sects would not be invited to participate in Cabinet, except for possibly one or two men, who might be chosen because of their ability rather than as representatives of sects. In lieu of Cabinet participation, sects would be offered positions of honor in the High Council, which would be advisory to the President. See paragraph 7b. below.

c. Some quid pro quo will probably have to be offered sect leaders, particularly Bay Vien, if latter is to agree "willingly" to surrender police powers. I understand that in the past Bay Vien has indicated that he would like to be Minister of Interior or have one of his henchmen in this position. Such an appointment would be fatal and it must be made clear to new President that under no circumstances would we agree to this. It is possible that Binh Xuyen would settle for some economic assistance from the government in their commercial ventures. Bay Vien and perhaps General Soai might consent to leave the country on some official mission if they were permitted to take out bulk of fortunes they have acquired.

6. Form new Cabinet. During this period, the new President will have been consulting with possible new Cabinet members. As quickly as possible, he should form his new government and announce it.

7. Reorganize government structure.

a. Our tentative thinking on this point has been covered in some detail in recent telegrams.

b. We feel it would be advisable under current conditions for President, after consultation with his Cabinet and separately with Ely and me, to appoint a "High Council", consisting of representatives of various intellectual groups, labor, sects and other religious groups, refugees, and distinguished personalities such as former President Long. My personal judgment is that this Council should not include people like General Hinh, Bui Hoi, Tam or Huu, though French might insist upon inclusion of some such people.

c. Diem has indicated that he would favor appointment of an economic advisory council, including some foreign experts. Certainly technically competent people will be needed in economic field, though they could be supplied to government through French and American economic aid programs. However, it might be well to have them carried officially in an advisory council.

d. Based on our experience here, I feel that there should be a Vice President who can be used by the President as a general executive and trouble shooter to handle specific problems as they arise. It might be advisable to have a second Vice President in charge of two Ministers of Defense and Interior, since for the coming year these ministries will have to work very closely together in pacification of country and ferreting out of Viet Minh agents and influence.

8. Announce complete program of new government. This announcement should include:

a. The plan of reorganization of government.
b. The broad program of social, economic and military reforms embodied in the Ely/Collins seven-point program. See Embassy telegram 2004.[6]
c. The detailed plan for the political and military integration of the sects in the national life. See Embassy telegram 4373.

9. Elect and convoke provisional National Assembly.

a. The necessary ordinances to establish the provisional National Assembly have already been published and May 15 has been announced as date for election of those members who are to be elected by village and other councils.
b. The Assembly should meet as promptly thereafter as possible. Its two most important tasks should be review of national budget and designation of a special committee to draft plans for a Constituent Assembly.

Part II. Paragraphs are numbered as in Department telegram 4412.

1. I believe French would do all possible remain aloof from any military action Diem might undertake against Binh Xuyen but would offer good offices to end or minimize any conflict. French would certainly do all possible in Saigon to protect own nationals and foreigners and property of both from harm, including public utilities.

2. Owing his special sense of mission, Diem will probably put up whatever resistance he can to being removed, but I doubt he will find substantial support in any quarter. In end he will probably retire in outrage from scene and voice his protests against Bao Dai, France and U.S. in some kind of "White Paper".

a. Certain Vietnamese nationalists would seize on Diem's removal to fan anti-French sentiment, but I do not believe Diem's removal would result in popular violence against French except possibly sporadic individual incidents.
b. I believe Diem would ultimately accept removal as stated paragraph 2 above. I think he is true patriot and would not try sabotage constructive program of new government. I do not agree that he still has "considerable power" except support of France and U.S. I

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[6] Dated November 29, 1954; for text, see *Foreign Relations*, 1952–1954, vol. XIII, Part 2, p. 2315.

have tried to convey to Department how slender basis of Diem's present support now is. If French and U.S. support is withdrawn, Diem will be hard pressed to muster any allies, and few if any of these are likely to resort to violence in his support.

3. National Army loyalty, which Diem does not fully command, is not completely transferable to any individual. I believe, however, army loyalty could be secured by new government more broadly based, not driven by political jealousies and crises like Diem regime, and fully backed by France and U.S. However, there may be individual battalion commanders in Center Viet Nam who might lead groups of men to defect. Such incidents would have very limited effect on bulk of army. It should be said here that under no circumstances should General Hinh be allowed return to Viet Nam now. He retains considerable influence in army and could become once again major disruptive influence.

4. Compilation of assets of strength Diem may have is difficult to make. With respect to political following in Center Viet Nam, this has been falling off partly as result of political activities of Diem's brother Ngo Dinh Can, and opposition has taken form for example of recent incidents at Bạ Lang. There is no proper grass roots support of any leader in Viet Nam, leaving aside Ho Chi Minh. Diem's virtues as anti-French leader have been tarnished by his dependence on his brothers which has led to quite general feeling that a Ngo family dictatorship is in effect being established. Few nationalists outside his family and immediate entourage would lift a finger in Diem's defense. How great his following is in Catholic community is hard to say. Diem himself claims his support in center, for example, comes largely from non-Catholics. In any event Catholic community is not politically organized and represents less than 10 percent of population. Certainly many refugees from north were attracted by fact Catholic heads government of south, but political and physical strength of refugees is only a potential for exploitation at a later date. In National Army, scarcely any leaders are entirely pro-Diem, even Chief of Staff Ty; some are hostile, and the majority are probably no more than luke-warm. I believe there is no reason to anticipate serious adverse reaction in army at large if Diem is removed through orderly processes.

5. Viet Minh reaction to Diem's removal would undoubtedly be to effect that free world had suffered damaging setback. Apart from stepped-up propaganda campaign and public gloating over defeat of an enemy, I do not believe Viet Minh reaction would be dangerous. In other words, I do not anticipate Viet Minh would attempt take military advantage of Diem's removal. However, Viet Minh, playing many angles as usual, might attempt build up anti-French and anti-

U.S. sentiment, charging overthrow of nationalist government to French and U.S. "Imperialists".

6. It would be preferable to make change after Bandung in order avoid giving Viet Minh propaganda advantage for exploitation at conference. However, since Diem is still threatening to take independent action to remove Sang after Easter weekend, over strong French objections, it may be desirable effect change as soon as U.S. and French have reached agreement on case to be presented to Bao Dai. While I recognize difficulties this crisis creates for U.S. in view of our well-known association with Diem, I fear continued delay will lead to even graver problems of deteriorating French-U.S. cooperation in Viet Nam, intensification of civil disorders culminating, possibly, in civil war, and not improbable ultimate loss of all Viet Nam to Viet Minh. This eventuality would be damaging not only to U.S. prestige but, more importantly I am convinced, to U.S. security. Mechanics of possible change of government are discussed in Part I above.

7. Our agreement to replacement of Diem admittedly will be difficult to explain to American and world press. I would suggest something along following lines:

a. Diem had made a great contribution to his country at a time when his particular qualities were most valuable. He maintained calm after Geneva, contributed to exodus of refugees from north with its great psychological impact, successfully mustered world opinion in support of aid to these refugees and with support of France and U.S. developed sound and progressive social, economic and military reforms for his country.

b. Perhaps it was inevitable that implementation of these programs would develop divisive influences among the people of Viet Nam, who have only recently gained their independence. They have had little experience in meeting the complex problems which they face, such as reconciling different interests of sects and various regions of the country. This has resulted in clashes of personality, which had much to do with the current crisis, involving the "Unified Front" organization. Resultant bloodshed, even though not extensive, has created deep wounds which will be difficult for present government to heal.

c. Diem was unable or unwilling to take into his government members of various opposition parties. Only with broad support can the progressive programs developed by Diem be made effective. The new government is headed by a man who has had experience in government and whose personality is such that he should be able to get other strong men to work with him. He has adopted the same basic programs which Diem initiated and which have the full support of both U.S. and France. Decision as to who should head government of Viet Nam is, of course, one to be made by the Vietnamese people under their own system. While change in presidency involves temporary loss to Viet Nam of a great nationalist leader, it does not in any sense mean a change in the policies of his government which have drawn U.S. support. With this support and the cooperation of all elements of Viet Nam, the country can be saved from Communism.

[Collins]

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109. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, April 9, 1955—3:56 p.m.

4438. Eyes only Ambassador from Secretary. Have this morning discussed situation with highest authority. We are disposed to back whatever your final decision is but before you actually finalize we want to be sure you have weighed all of the factors which concern us here.

We feel that what has happened does not reveal anything new about Diem but rather a basic and dangerous misunderstanding as between France and the U.S.

We have always known the qualities which Diem possesses and those which he lacks. Nevertheless our two countries agreed to support him in default of any one possessing better qualifications. The only alternatives now suggested are the same persons who were regarded as unacceptable substitutes some months ago.

What has happened is that whereas the United States has been proceeding on the assumption that Diem would be backed as against any who might challenge him assuming that he had the capability, apparently the French have given their support only on the assumption that the Binh Xuyen would also be supported as an autonomous authority and that when they challenged Diem he would not be allowed to use force to assert his authority over it.

We can appreciate the reluctance of the French to see force used but if it cannot be used then what is the point of our supporting at great cost the national army which I thought it had been agreed was primarily to be an army for domestic security rather than an army to fight external aggression.

U.S. recognizes that Cao Dai and even the Hoa Hao are genuine sects with cultural religious and political roots which cannot be forcibly torn up without grave consequences which should be avoided but we do not believe that any central government can exist as more than a figurehead if it does not have control over the national police and if this control is farmed out to a gang which exploits its privileges to protect vice on a vastly profitable scale and which exists by virtue of the backing of the self-exiled Bao Dai and the French.

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[1] Source: Department of State, Central Files, 751G.00/4–955. Top Secret; Niact. Drafted by Dulles. Printed also in *United States–Vietnam Relations, 1945–1967*, Book 10, pp. 907–909.

We cannot see that replacement of Diem by any persons you mentioned will of itself correct this situation and indeed we have had the impression that Quat was less acceptable to the sects than is Diem.

There are two other factors to be borne in mind.

One is that it is widely known that Diem has so far existed by reason of U.S. support despite French reluctance. If, however, when the showdown comes the French view prevails then that will gravely weaken our influence for the future both in Vietnam and elsewhere. Removal of Diem under these circumstances may well be interpreted in Vietnam and Asia as example of U.S. paying lip service to nationalist cause and then forsaking true nationalist leader when "colonial interests" put enough pressure on us. The French constantly assert that the U.S. has a primary responsibility in this part of the world but it is difficult to have responsibility without authority. In essence, will not the ouster of Diem on the present conditions mean that from now on we will be merely paying the bill and the French will be calling the tune. Any successor of Diem will clearly know where the real authority lies.

The second factor is that there will be very strong opposition in the Congress to supporting the situation in Indochina generally and Vietnam in particular if Diem is replaced under existing circumstances. We do not say that this opposition may not in the last instance be overcome, particularly if you personally can make a case before the Congressional committees but Mansfield who is looked upon with great respect by his colleagues with reference to this matter, is adamantly opposed to abandonment of Diem under present conditions.[2] I wonder whether there is not some intermediate solution between the present extremes now discussed and that Diem can be allowed to regain his damaged prestige by an assertion of authority over the Binh Xuyen and at the same time other elements be brought into the government under conditions which will assure a real delegation of authority.

I feel that as with most orientals Diem must be highly suspicious of what is going on about him and that this suspicion exaggerates his natural disposition to be secretive and untrustful. If he ever really felt that the French and ourselves were solidly behind him might he not really broaden his government? We must I think have some sympathy for his predicament as he is constantly called "the Diem experiment".

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[2] See Document 107.

In conclusion I want to reaffirm the very great confidence which we all have in you and in your judgment. You have done and are doing a wonderful job in the face of tremendous difficulties.

Your 4448[3] has just arrived in Department but is not yet decoded. We will comment on it in subsequent telegram.[4]

Dulles

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[3] *Supra.*

[4] See Document 115.

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110. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, April 10, 1955—10 p.m.

4452. For Secretary from Collins. Ref Deptels 4438[2] and 4444,[3] just received.

1. Ref paras 2 and 4 Deptel 4438:

a. While there probably is some difference between our outlook with regard to Binh Xuyen and viewpoint of Paris, which does create impression that Paris tends to regard Binh Xuyen and other sects as being on same level as Diem's govt, this has not really been the case as between Ely and myself. Ely does incline towards dignifying revolt of the "Unified Front" of sects as a "legitimate revolution". He once compared it to revolutions in Central America, in which we recognized the revolutionary government. I do not believe French have any special solicitude for Binh Xuyen as distinct from other sects. Fact that Binh Xuyen play chief role in most critical problem of present crisis, i.e. control of National Police, and are leaders of sect "Unified Front" has brought them into spotlight. However, in fact, Ely has supported Diem in this conflict, though he has not given the govt a free hand in moving more troops into Saigon during period of current truce. He is completely sincere in feeling that while the govt could drive Binh Xuyen out of Saigon–Cholon, result would not be a solution, even of the current situation but would lead to civil war and definite loss of country to Communism.

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[1] Source: Department of State, Central Files, 751G.00/4–1055. Top Secret; Niact.

[2] *Supra.*

[3] In this telegram, April 9, Dulles informed Collins that his telegram 4448 from Saigon, April 9 (Document 108), was being carefully considered and in the meantime he wished to hear Collins' thoughts on telegram 4438 to Saigon. (Department of State, Central Files, 751G.00/4–955)

b. I have been here too short a time, and our intelligence (and I don't mean to be critical) is not good enough for me to challenge this evaluation of Ely in which he is supported by men like General Gambiez and Wintrebert, who have been completely friendly to us and our approach, and who know this country and the sects far better than we do.

c. The root of the trouble is not in any divergence of U.S. and French views with regard to sect rebellion. Real reason that I feel it would be best to accede to replacement of Diem is that Diem himself, for reasons outlined in my 4448 and other messages, simply cannot successfully rule this country alone with the advice of his brothers and a handful of other advisors who have no public standing of consequence.

d. If left to his own devices, Diem would attack the Binh Xuyen Sûreté headquarters in the heart of Saigon, as well as Binh Xuyen headquarters on outskirts of Saigon–Cholon and their various posts scattered throughout the two cities. If this is done, there will be considerable bloodshed, destruction of property, wounds will be created which will be impossible to heal, and civil war may well result. A number of senior officers of VN army are dead set against such procedure, and army itself would have no stomach for taking on the sects in a new battle of rice paddies and forests. Population at large would simply not comprehend initiation of warfare between govt and any non-Communist groups such as sects no matter what the issues involved. They know little of these issues and probably understand less.

e There is no point in going back over the incidents which led up to this current situation. Irrespective of my personal views, responsible VN leaders such as Quat, Do, Minh and their associates are convinced that current tragic situation could have been avoided had Diem shown any flexibility and adeptness in his dealings with Bay Vien and other sect leaders. They may possibly be wrong in this, but that is their conviction.

2. Reference paras 3 and 7:

a. I do not know whether, at the time Diem was selected for the presidency, any consideration was given to either Quat or Do. I voiced my doubts about Diem's capabilities in estimates of the situation which I sent Dept at end of first week and first month of my stay here. See Embtels 1830, 2108, 2250 and 2303.[4] During period of these reports I agreed that Diem appeared to be best available man, but did not rule out Quat as an acceptable substitute. I felt then and now that with full support from France and the U.S. Quat could make the grade, since then I have come to know Do and have considerable respect for his ability, though he has less force than Quat. Each of these men has far more flexibility than Diem and has an infinitely more practical approach to the problems of his country, which they know and understand far better than we do. We are not dealing here with fully rational, educated, unbiased Westerners. The

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[4] For texts, dated November 15, December 6, December 13, and December 16, 1954, respectively, see *Foreign Relations*, 1952–1954, vol. XIII, Part 2, pp. 2250, 2341, 2362, and 2379.

Prime Minister of this country must know how to direct and handle men who are highly venal, and who have not yet learned to subordinate their selfish interests for the good of their new and unstable country. Diem cannot make these mental adjustments, and has no knack for the solution of these problems. Do and Quat do.

c. [*sic*] Reference Quat's acceptability to the sects, it was Diem who offered this as a reason for not taking Quat into the government after he had promised me to do so. Foreign Minister Do felt then and now that while the sects would not be happy under Quat, their objections could be overcome.

3. Reference paragraph 5: When it was agreed that strength of National Army would be determined primarily on basis of requirements for domestic security rather than to fight external aggression, it was considered that it would be used primarily against Viet Minh Communists. I doubt that anyone visualized its employment against the sects which despite their obvious faults, are perhaps currently the most effective organized anti-Communist elements within country other than National Army. It must be remembered also that, because of delays in reaching agreement regarding training responsibility, our MAAG has been unable, thus far, to have much influence on the morale, discipline, and state of readiness of VN armed forces. We have not had opportunity to set this army aside, reorganize it and train it, before it had to be employed in its [garble] pacification operation. In any event, whatever the reasons, fact remains that the leaders of this army would not be fully united, and personnel of the army would be completely unenthusiastic about embarking at this time on a civil war against even Binh Xuyen alone.

4. Re para 6, I agree completely that central government must regain control of National Police if it is to govern effectively. It is for this reason that alternative steps 1a. and 1b. mytel 4448 were predicated on this basic condition. Ely agrees with us in principle on this condition and as I indicated would disagree only as timing and means by which transfer of police control should be brought about.

5. Ref para 8:

a. The charge that U.S. assent to removal of Diem would mean that we were supporting French colonialism could readily be contested. Both Do and Quat are recognized nationalists. Do for example, has never participated in any of the French sponsored govts. He and his brother Chuong (VN Ambassador in Washington) have, in fact, very strong anti-French bias. Furthermore, it was recently pointed out with considerable logic, and it is now generally accepted here that Diem remains in office only because of French and U.S. support. Whether or not we wish it he thus bears the tag of foreign support, which in Asia is closely associated with "colonial interests". This would be less true of Quat or Do.

b. As pointed out in para 3a., mytel 4448, we should endeavor to have French propose successor, though he must be someone acceptable to us. I feel sure that if Ely's advice is followed French will not propose Buu Hoi, Tam, Huu, or anyone else closely associated with French colonial interests. We would of course make clear that we would not let French call the tune as to the program of the new govt. My understanding is French have already agreed to both programs Ely and I have developed.

6. Ref para 9:

a. I realize that strong resistance to Diem's removal may develop in US Senate. I have no way of judging Mansfield's position *under present conditions*. These conditions are rather different than those existing when he visited Vietnam in September, 1954 when he feared military dictatorship as only alternative to Diem (see page 14, Mansfield Report[5]). As practical politicians, I would think that Mansfield and his colleagues on Senate committees would give considerable weight to the arguments I have advanced in my recent telegraphic letter to you, and other pertinent messages.

b. With respect to a possible intermediate solution, I can see none other than to have the police powers transferred now by Diem with the full support of Bao Dai and the background support of France and US. The outcome of such action I cannot clearly estimate. I repeat that Ely and his French colleagues are convinced it would lead to civil war; the suggestion that "at same time other elements be brought into the govt under conditions which will assure delegation of authority" is the one that really stumps me. For 5 months I have been trying to get Diem to do just this, without any success whatever. I doubt that Diem could effect such a change even if he knew definitely that the only alternative to his not doing so would be his relief by Bao Dai. As I have already pointed out, no strong man of ability that we know of will now join Diem's Cabinet under any conditions. This is not just because they fear Diem's govt may be overthrown by Binh Xuyen and sect coalition, but because they are thoroughly disillusioned as to Diem's work methods, and unwilling subject themselves to membership in Cabinet where they would be assuming responsibility but in fact have no authority.

7. Ref para 11: I fully appreciate the tremendous difficulties and complexities which Diem has had to face. I have great sympathy for him and deep admiration for his courage, his objectives and his integrity. But I am simply convinced that as a matter of practical politics, he cannot organize and lead a govt which can successfully contest the unity of purpose, skill and efficiency of the Viet Minh under Ho Chi Minh. And since our stake here, from moral, psychological and strategic reasons is so great, I feel we must, however reluctantly, be willing to withdraw our support from even as fine a man as Diem in order to have any real chance of preventing the fall of this country to Communism. I may be wrong, but I do [not] feel that Diem is

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[5] The reference is to "Report of Senator Mike Mansfield on a Study Mission to Vietnam, Cambodia, and Laos," October 15, 1954, 83d Cong., 2d sess., Senate Committee on Foreign Relations.

completely indispensable. I am thinking in terms of our national interest and good of Vietnam, rather than in terms of a single man.

8. I hope this message does not appear to be contentious. It is not intended to be so. I fully appreciate seriousness of problems this situation presents to our govt and difficulty of their solution.

[Collins]

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111. Memorandum of a Telephone Conversation Between the Secretary of State and the Director of Central Intelligence (Dulles), Washington, April 11, 1955, 11:13 a.m.[1]

The Sec. said it looks like the rug is coming out from under the fellow in Southeast Asia.[2] AWD said he had been talking there about it. The Sec. said that he was having lunch with the Pres. and that would be it. Probably it will be Q or B.[3] The Sec. said he talked with the boss on Saturday[4] and he said you can't send this fellow[5] down here and have him work on it if his judgment is the way it is. We have to go along with it. The Sec. said he has sent 2–3 strong messages urging the other viewpoint but these have not shaken him. The Sec. said he does not know if this will get AWD in wrong. AWD said he thinks he can adjust things and will look into it. Both want to hold on to him a bit longer—that is the combined judgment. AWD said do we have to cow-tow to BX [Binh Xuyen] and the Sec. said he claims not. They agreed the gangsters will have won. The Sec. said he should read cables 4438[6] and 4452.[7] The Sec. will be at the Pres.'s at 12 should AWD want him.

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[1] Source: Eisenhower Library, Dulles Papers, General Telephone Conversations. Transcribed by Phyllis D. Bernau, John Foster Dulles' secretary.

[2] Apparently Diem.

[3] Apparently "Q" stands for Quat, but "B" is unidentifiable; possibly Bernau misunderstood and it should be "D", which might represent Foreign Minister Do.

[4] April 9.

[5] Apparently Collins.

[6] Document 109.

[7] *Supra.*

112. Draft Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, April 11, 1955.

Eyes only for Collins from Secretary. Your 4452[2] received and carefully studied, as well as your preceding messages. In light of your considered judgment[3] that Diem cannot gain adequate Vietnam support to establish an effective government,[4] you are authorized to acquiesce in plans for his replacement. This is on the assumption that replacement can be found who in your opinion is improvement. This in our opinion requires that he should not be a person who is or who can plausibly be represented to be a tool of "French colonialism".[5] Also, we assume it is your judgment that replacement can be effected without this involving civil war such as you apprehend would be the case if Diem continues and seeks by force to assert his authority over the Binh Xuyen.[6]

With regard to the operational features of the program, we feel we must leave this to your judgment as it involves preponderantly local factors which we here cannot judge.

We sincerely hope that this move will be for the best and you can be confident that we will wholeheartedly do everything in our power to bring it out that way.

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[1] Source: Eisenhower Library, Dulles Papers, Meetings with the President. Top Secret; Personal and Private.

[2] Document 110.

[3] In his own hand, Eisenhower replaced the words "considered judgment" with "reiterated conviction".

[4] At this point Eisenhower added in his own hand the phrase: "and that several men are available whose designation as Premier would improve the existing status."

[5] The immediately preceding two sentences were combined by Eisenhower to read as follows: "But it is vital that, in your judgment the replacement should not be a person who can plausibly be represented as a tool of 'French Colonialism'."

[6] Eisenhower made a suggestion which, from evidence of the revised draft, resulted in an additional paragraph. Eisenhower's suggestion is outlined in an excerpt from a memorandum of discussion with the President by Dulles, April 11, noon. The excerpt constitutes all discussion on Vietnam:

"I read to the President my cable to Collins No. 4438 and Collins' reply No. 4452. I showed the President the draft of a proposed cable to Collins authorizing him to acquiesce in a replacement of Diem under certain conditions. The President indicated that he thought that these conditions should be stiffened up by reference to the importance of a more clear cut understanding with the French with reference to the central government taking over the national police from the Binh Xuyen. He also wrote in manually certain suggested changes to my cable. He authorized me to make such further changes as might seem consistent with the general principles we had agreed upon and to despatch the cable." (Eisenhower Library, Dulles Papers, Meetings with the President)

For telegram 4438, see Document 109.

113. Revised Draft Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, April 11, 1955.

Eyes only for Collins from Secretary. Your 4452[2] received and carefully studied as well as your preceding messages. In the light of your reiterated conviction that Diem cannot gain adequate Vietnam support to establish an effective government and that other men are available whose designation as Premier would improve the existing status, you are authorized to acquiesce in plans for Diem's replacement.[3] However, it is vital that in your judgment the replacement should not be a person who is, or can plausibly be represented as, a tool of French colonialism. We also rely upon your judgment that replacement can be effected without this involving civil war such as you apprehend and seek to avoid under Diem's program to assert by force his authority over the Binh Xuyen. We do believe strongly, however, that as part of any program for changing the premiership, there should be a clear understanding with the French with reference to the central government taking over control of the national police and that a time and means for doing this should be clearly stipulated, with commitment of French moral and logistic support. There is sufficient reason to suspect hidden motives for perpetuation of the independent police situation, so that we should not be satisfied with a mere French agreement that this transfer is acceptable "in principle".[4]

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[1] Source: Eisenhower Library, Dulles Papers. Top Secret; Personal and Private. The source text is marked draft no. 2 and incorporates those revisions made by Eisenhower in the first draft, *supra*. Clearly related to the drafting of this cable is the following report of a telephone conversation, April 11, 3:57 p.m., between Robertson and Dulles:

"The Sec. asked if he got a reaction from Mansfield, and R. [Robertson] said he has not seen him. Young is with R., and he has a cable. The Sec. said the Pres. made some changes and there will be a meeting at 5 to go over them. The Sec. has redrafted the cable. The Sec. said now is the time to get any commitments we want from the French. R. said he will try to get Mansfield. The Sec. mentioned speaking to Judd, and also George. R. said he thinks George will follow along. R. wants the Sec. to see the cable Young has. The Sec. said he will call George, and R. thought it a good idea." (*Ibid.*, General Telephone Conversations)

[2] Document 110.

[3] Written on the source text in Dulles' handwriting is the following revision of the last clause of this sentence: "you are authorized in your discretion to acquiesce in the idea of Diem's replacement."

[4] At this point and in the same hand the following sentence was added: "If any points need to be established with French it seems to us that it is time to tie this down before, not after, we acquiesce in Diem's replacement."

With regard to the operational features of the program, we feel we must[5] leave this to your judgment as it involves preponderantly local factors which we here cannot judge.[6]

We sincerely hope that this move will be for the best and you can be confident that we will wholeheartedly do everything in our power to bring it out that way.

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[5] Similarly at this point the phrase, "in last analysis" is written in.

[6] At this point in the same hand the following sentence is written in: "However there are what seems to us serious questions about some of the aspects of the procedures you suggest in your 4448 as to which we are cabling separately." Telegram 4448 from Saigon is printed as Document 108.

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114. Memorandum of a Conversation, Department of State, Washington, April 11, 1955[1]

PARTICIPANTS

The Secretary
The French Ambassador
Mr. Merchant

The French Ambassador called on the Secretary this afternoon at 4 p.m. at the latter's request.[2] At the outset the Secretary spoke briefly of the current crisis in South Vietnam. He said that it was essential that the U.S. and the French should cooperate fully. He expressed his serious concern that if Diem were to go, it would be regarded in Vietnam as a victory for Binh Xuyen. He considered it essential that any central government have control over the National Police. Certainly this was a requirement for any new Cabinet. Secondly, the Secretary said he wished to emphasize that any successor to Diem must be a genuine nationalist and not a French puppet.

The Ambassador readily acknowledged the force of this statement. The Secretary referred to Mendes-France's remark last December that he did not resent Diem being anti-French because it was necessary for success that the leader of Vietnam be anti-French.

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[1] Source: Department of State, Central Files, 751G.00/4–1155. Secret. Drafted by Merchant.

[2] A transcript of a telephone conversation between Dulles and Merchant on April 11, 10:45 a.m., prior to this conversation with Couve de Murville reads as follows:

"The Sec. said if we are going along with a replacement of Diem, is there any asset in talking with de Murville and M. said yes so he and Paris feel he is being kept in the Sec.'s confidence." (Eisenhower Library, Dulles Papers, General Telephone Conversations)

The Secretary then went on to say that he expected difficulties with the Congress in securing the large appropriations which our continued support of the Government of Vietnam contemplated. Senator Mansfield, who was very influential in these matters, felt strongly that Diem should be backed to the limit and that there was no adequate substitute for him. The Secretary also said that the activities of Sainteny in North Vietnam would be closely scrutinized by the American Government. The Ambassador interjected that he understood that the original plan to form joint companies with the Vietminh had been dropped. The Secretary concluded by saying that we would do our very best to minimize the consequences of the departure of Diem if Collins and Ely should agree that such a change was necessary. He did not wish to disguise the fact, however, that we would have considerable difficulty.

The French Ambassador displayed but did not quote from a stack of telegrams he had received from Paris on the situation. He said that it was his understanding that the Government in France was forming its opinions and decisions on the basis of Ely's recommendations and were inclined to follow whatever he suggested.

[Here follows discussion of European affairs unrelated to Vietnam.]

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115. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, April 11, 1955—7:59 p.m.

4466. Eyes only Collins from Secretary.

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[1] Source: Department of State, Central Files, 751G.00/4–1055. Top Secret; Niact. Although Young is represented as the drafter of this telegram and Robertson the clearer, the two previous draft telegrams (Documents 112 and 113), and the related telephone conversations described in footnotes attached to them indicate that this telegram was discussed at a much higher level. The fact that this telegram is greatly different from the previous drafts as revised by Eisenhower and Dulles leads to the conclusion that at the 5 p.m. meeting on April 11, referred to in footnote 1, Document 113, the decision was made to delay authorizing Collins to proceed with plans for replacing Diem. No record of report of the 5 p.m. meeting has been found, but a memorandum by Young to Robertson, April 11, indicates that Young was not in favor of replacing Diem at that time. Young's memorandum reads as follows:

"We can accept Collins' recommendation in principle. But I do not believe we should go along with his black-white formula. We should not discard Diem so abruptly or completely. There are several intermediary combinations worth exploring.

"The attached telegram is along these lines.

Continued

1. Your 4452[2] received and your proposals and comments being carefully considered. I greatly appreciate the clarity of your views and the comprehensiveness of your replies to our comments and questions. In considering the decision to take on your proposal there are several questions as to timing and form.

2. As to timing we would appreciate your views on the following:

a) How soon is a final decision by the US Govt. required?

b) How many days do you visualize each of the first six steps would take outlined in part one of your 4448?[3]

c) It is strongly felt here that the US should make no final decision with the French unless and until we have received explicit assurances from them on the central government taking over control of the national police and a time and means for doing this with the clear stipulation of French moral and logistic support. In addition we do not wish to make commitment in principle on replacement before we are certain candidate acceptable to us can be agreed upon. This is a condition prerequisite to our informing the French of our final decision. Will other assurances be needed? Since this affects the timing of your proposals we would like your comments on this aspect. In addition there may be leaks as soon as the French are informed of an affirmative decision by us, thus Diem might learn of the proposal and take some counter action.

d) As a result of the above consideration we wonder whether any change should not take place until after the Bandung Conference. It may not be possible to carry out the program before opening of the conference in any case. If Diem should learn of a French-US decision regarding his replacement, there might be some danger in his exploiting this development at the conference itself.

e) Another question of timing involves the elections for the provisional National Assembly on May 15. If the steps you have outlined in your 4448 were commenced after the conclusion of Bandung Conference it might be that the selection of a successor would take place at about the same time of the assembly elections. This might create an additional complication with respect to the reaction of the assembly and their inability to participate in a new government.

"Also I think Collins' mechanics for the change-over put obvious [*obviously*] a French and American label on the new prescription and the new injection." (Department of State, Central Files, 751G.00/4–1155)

The draft telegram to which Young referred was not found attached to his memorandum.

Apparently there were two draft telegrams discussed at the 5 p.m. meeting on April 11. The wording of the telephone conversation between Robertson and Dulles quoted in footnote 1, Document 113, supports this: "Young is with R[obertson], and he has *a* cable. . . . The Sec. has redrafted *the* cable." Italics added. If this is the case, then at the 5 p.m. meeting the decision was made to send a telegram based on Young's version rather than the draft revised by Eisenhower and Dulles.

[2] Document 110.

[3] Document 108.

f) When a firm decision is made and dependent upon your answers to the above points, do you feel that our response should be given to the French in Paris or by you in Saigon?

3. As to form, it might be worth while considering how to continue to make use of Diem's assets and how to make the mechanics of a change-over seem Vietnamese inspired.

a) We have had in mind an intermediate solution which would not kick Diem completely out of the picture or keep him in his present status with full powers, which you have so tellingly indicated now appears impossible. Instead might not a transitional arrangement be envisaged which, if possible, would retain Diem in some general capacity as chairman of a new council to make use of his good qualities and general standing as a Nationalist, while delegating detailed administration of the program to Quat or Do who you believe have the personal capacities to direct and handle men in the Vietnamese environment. At an interim stage it would be anticipated provisional National Assembly convocation in June might lend a more permanent character to Vietnamese political institutions and personalities. It may be that a strong centralized government under the direction of one man is impractical as long as there is no really strong personality to cope with contending groups. Hence, it might be better for several reasons to blur the shift from Diem to another man and to spread power and responsibility among several of the most competent Vietnamese available. We are in no position here to suggest the mechanics or the forms for carrying out this line of approach, but would like your suggestions.

b) We are also concerned that mechanics you suggested in paras. 2, 3, and 4 of your 4448 may give the impression that the decision and manner of the change-over would appear to come largely from the Vietnamese themselves. If Diem meets such personal and political resistance from his own people that he alone cannot form a new setup or carry on, as you emphasize is the case, then the conditions for change would be less harmful to our position in Asia and more conducive to effective succession if the Vietnamese proposed the new government.

Dulles

116. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, April 12, 1955—7 p.m.

4487. For the Secretary from Collins. Department telegram 4466.[2] Following answers will refer to paragraphs reference telegram.

1. Reference 2a. We cannot say when decision by U.S. would be required. However, present tenuous truce may explode at any moment into open hostilities and as time passes we may unavoidably be placed in position where withdrawal our support from Diem may become even more difficult. Therefore, I believe decision by U.S. should be made as early as possible.

2. Reference 2b. Difficult to estimate time required for first six steps, but we estimate minimum of 10 days.

3. Reference 2c. Fully in accord that U.S. should definitely establish as prior condition assumption of control of National Police by central government. Timing of assumption of this control was discussed in paragraph 1 Part I my telegram 4448.[3] Much as I would prefer, from purely personal standpoint, to have Diem assume control National Police before his relief as Prime Minister, it would be better to have new government assume credit as well as responsiblity for this essential change. With respect to other assurances, French should be required to agree in general with the programs referred to in paragraphs 4 and 8, Part I my telegram 4448. In addition, it should be understood between ourselves and French that Binh Xuyen must not be given control of or participation in Interior Ministry and that under no circumstances must General Hinh be permitted return Viet Nam in near future in any capacity.

4. Reference 2d. We doubt advisability of waiting to initiate steps outlined my telegram 4448 until conclusion of Bandung Conference. Admittedly there will be strong chance of leaks, but it would be difficult to prolong present uncertain truce until Bandung Conference is over. Diem has never publicly accepted truce of 15 days proposed by Bao Dai. Truce Ely and I arranged expires today, April 12. Diem has not yet definitely decided to attend Bandung, though ordinance announcing Diem as chairman has just been published; this does not necessarily mean he will go. If he should go and word of his possible relief should leak out while he is there, such a leak might not be wholly disadvantageous. Diem is widely referred to in Asia as an American protege. If he were relieved during Bandung Conference, this would tend to indicate we had not taken upon

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[1] Source: Department of State, Central Files, 751G.00/4–1255. Top Secret; Niact.

[2] *Supra.*

[3] Document 108.

ourselves responsibility for determining who should be Prime Minister of Vietnam. This same factor would make it difficult for Diem at Bandung to use his relief for his own propaganda advantage.

5. Reference 2e. As indicated above, I feel that action should be initiated with minimum delay. I think that we could obtain agreement from French and Bao Dai to successive steps outlined my 4448, and have a new government in office prior to May 15, date scheduled for election of Provisional Assembly. I believe it would be essential that this be accomplished before that date in order that new government can supervise elections. One of fears expressed to me recently by Quat was that Diem would try to pack new Assembly with his adherents to exclusion of any opposing parties. Moreover, opportunity should not be afforded this new and untried Assembly to participate in details of formation of new government. It might be added that the ordinance creating the Provisional Assembly precludes that body from taking any responsibility for the creation of the government itself.

6. Reference 2f. We feel once a decision has been made in Washington, the French should be advised simultaneously in Washington, Paris and Saigon. This should be done with full recognition of fact that there probably will be leaks from one or more quarters. When and if Diem is advised by Bao Dai that he is relieved as Prime Minister, this will come as a tremendous shock to Diem. Leaks might prepare him for the shock and have additional advantages of giving Ely and me opportunity of trying to persuade Diem not to sabotage new government if he should be disposed to do so. American public opinion also would need some preliminary preparation. Care would have to be taken, however, to insure that if leaks did occur, the initiative for the projected change is properly attributed to the Vietnamese and not to either France or the U.S. (See Paris telegram 4396.[4]) I am sure Department will give consideration to preliminary background explanations to press and appropriate members of Congress.

7. Reference 3a. We are quite convinced Diem would not accept any position in new government other than Prime Minister. Post as Chairman of High Council should be offered him by Bao Dai, but I doubt that he would accept it. If Diem should decide to refuse this post, there would be clear public relations advantages, if Bao Dai could announce that this post had been offered to Diem. With refer-

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[4] In this telegram, April 9, the Embassy reported the results of a discussion with Nguyen De, Bao Dai's Chief of the Imperial Cabinet. Speaking for Bao Dai, Nguyen De gave Embassy officials a long indictment of Diem's actions and suggested that a "supreme council" or "council of elders", functioning under Bao Dai's overall direction as chief of state, should replace Diem as the functioning executive of Vietnam. (Department of State, Central Files, 751G.00/4-955) For an extract from this telegram, see *United States-Vietnam Relations, 1945-1967*, Book 10, pp. 910-911.

ence to utilizing Provisional Assembly to tide over change of government, we feel strongly that we cannot wait that long.

8. Reference 3b. As indicated above, we are fully in accord that throughout whatever successive steps are taken to make conversion, great care must be taken that changes are attributed to Vietnamese and not to either France or U.S. This may be difficult to achieve, but every effort should be made to that end.

9. I have not informed Ely of my recommendations. He has asked my reaction to his withdrawal of support of Diem. I have replied that I had reported his views Washington where I knew they were being carefully considered, but regretted I could make no comment at this time.

[Collins]

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117. Telegram From the Secretary of State to the Embassy in France[1]

Washington, April 12, 1955—7:45 p.m.

3622. You should inform Foreign Office orally of following and state we hope receive reply soon:

1. General Collins has told us of conclusion of General Ely that Diem will have to be replaced by a new president. We assume that Ely's views constitute those of French Government.

2. From start, U.S. and France have recognized that no ideal solution was available for situation in South Vietnam. Our course was based on an effort to choose best among the available alternatives, each of which had disadvantages. Accordingly, in order evaluate conclusion of General Ely U.S. would have to know what alternative is actually proposed. Without prejudice to our present position we would want to know:

a. Who would succeed Diem with best prospects carry out governmental programs and strengthen Free Vietnam?
b. When is it proposed that any change would take place?
c. What action would be taken to ensure governmental control of National police now under Binh Xuyen?
d. What procedure would be followed in any proposed change?
e. How do French propose to ensure sects' support of a new government?

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[1] Source: Department of State, Central Files, 751G.00/4–1255. Top Secret; Priority; Limit Distribution. Drafted by Bowie and Young and cleared for transmission by Robertson. Also sent priority to Saigon as 4487.

f. What support could new government count on from French forces?

3. If the French government is now proposing that U.S. support an alternative for Diem, we would appreciate detailed and specific answers to these questions. In order permit matter to be discussed effectively, we would suggest that French government send a representative to Washington as promptly as possible to discuss its proposals.

4. FYI Embassies Paris and Saigon will note we have recognized problem French proposal that U.S. agree to join with French in discussing replacement Diem. We wish to preserve this perspective and avoid issue being described as arising out of U.S. initiative. We do not wish in any way prejudice U.S. position to a decision as to an alternative to Diem, pending comprehensive reply by the French. End FYI.

Dulles

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118. Telegram From the Ambassador in France (Dillon) to the Department of State[1]

Paris, April 13, 1955—8 p.m.

4436. We informed Foreign Office orally today of view contained Dept's 3622 repeated Saigon 4487.[2] Official Ministry Relations with Associated States was present. We left with FonOff informal memo Dept's questions in paraphrased form.

Last night FonOff summoned us to say that they had received a telegram from Ambassador Couve informing them of an interview he had had with the Secretary April 11, gist of which was, they state:

1. Dept now willing to consider replacement Diem but that whoever or whatever might replace him would be strictly nationalist and have identification neither as puppet of French (like some previous officials) nor of Americans, as Diem.

2. Whatever steps are now to be taken to establish a more effective govt in Vietnam must not be made to look like a victory of sects, primarily Binh Xuyen, over Diem govt.

3. Steps should be taken immediately in Saigon to bring about "spontaneous" departure of Sang as Police Chief. This would presumably be done as part of whatever arrangements are made with Binh Xuyen as part of overall suggested alternative solution. *Comment:*

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[1] Source: Department of State, Central Files, 751G.00/4–1355. Top Secret. Repeated for information to Saigon.

[2] *Supra.*

French observed that they agreed heartily with all three points. They observed that in deciding on next steps only Saigon is qualified to make a proper evaluation of all factors and recommendations for future action.

In discussing matter French expressed great satisfaction in indication that once again French and US views were approaching each other and that we would now be able to get on with the job. They reiterated strong conviction that decision to replace Diem is wise one and that we must now devote all our efforts to finding substitute which will work. They refrained entirely from any reference to past Franco-US differences of opinion on Indochinese affairs. They laid most emphasis on point that they were now more convinced than ever that center of Franco-US action must be in Saigon. It was in recognition this fact that Collins and Ely were first sent and given powers they now enjoy by their respective govts. French intend to give their representative in Saigon freer hand than ever and trust Dept will do same with Collins.

We told FonOff that we had no instructions from Dept since our last meeting on April 9 [*8*] (Embtel 3495 repeated Saigon 467[3]), and therefore could not comment on Ambassador Couve's account of his interview with the Secretary. *Comment:* If French account is inaccurate or incomplete would appreciate receiving guidance.[4]

Today FonOff reiterated principle that answers to Dept's specific questions contained in Deptel 3622 and other related questions must be submitted by Saigon. They would forward questions to Ely immediately and ask him to submit detailed plan for action as soon as possible after coordination with Collins. Govt would then pass on Ely's recommendations here and they would be presented to us.

Suggestion that French Govt send representative to Washington was not well received on grounds that it would be unproductive for such official to go until plan was set by Ely and coordinated with Collins, by which time its details would be known to Washington by means of normal diplomatic exchanges. In any event they will reconsider question as plans for further action are devised in Saigon and submitted here for approval.

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[3] At this meeting on April 8, as reported in telegram 3495, April 9, French and American officials had a "further go-around" in which nothing definite was decided, but in which the French raised the possibility of Bao Dai creating a "council of elders" as a means of replacing Diem and broadening the government in Saigon. (Department of State, Central Files, 751G.00/4–955)

[4] According to telegram 3652 to Paris, April 14, the French account was inaccurate. The tenor of Dulles' remarks was not that the United States was ready to consider a replacement for Diem, but rather if Diem failed because of difficulties in uniting Vietnamese elements and because of opposition from the Binh Xuyen, the United States in considering a successor would have to be assured in advance of that successor's ability to run the government better. (*Ibid.*, 751G.00/4–1355)

For a report of the Dulles–Couve de Murville conversation, see Document 114.

During our conversation with French we emphasized point that it was for French to set plan and that we would then consider whether we would support it. They offered no resistance to this concept and there was no indication of any sort that question of replacement of Diem had arisen out of US initiative.

Dillon

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119. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, April 13, 1955—7:57 p.m.

4516. For Collins from Secretary.

1. I was much struck by paragraph 3 your 4502[2] indicating that Diem himself was considering formation of interim government to govern pending general elections for constituent assembly to be held in possibly two months and that Diem indicated he did not wish to perpetuate a personal government.

2. I want you to know my profound personal conviction that a solution acceptable to Diem and which came out of Vietnamese action is infinitely to be preferred to decision imposed from without.

3. I cannot get away from the feeling that Diem may not accept removal lying down but might at least try to become a national hero by attacking French-U.S. "imperialism". This could become sensational at the Bandung Conference.

4. Even if this is no danger, certainly a locally selected successor government would be infinitely preferable to one hand-picked by France and U.S. and rubberstamped by Bao Dai.

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[1] Source: Department of State, Central Files, 751G.00/4–1355. Top Secret; Priority. Drafted by Dulles and cleared with Murphy, Bowie, Robertson, and Tyler.

[2] Paragraph 3 of this telegram, which is dated April 13 and reports a conversation Collins held with Diem that day, reads in part as follows: "[Diem] said certain people with whom he had consulted recommend formation of an interim govt to govern pending general elections for a constituent assembly which would be held in possibly two months. Diem gave some indication that he is tempted by this proposal. He said advantage of such a scheme would be to indicate that he did not wish to remain in power forever or to perpetuate a personal govt. Latter statement may have been intended as hint that Diem might be willing to withdraw from govt if constitutional [*constituent?*] assembly could be quickly formed. For reasons given in earlier embtels, I do not think this is feasible. I suggested to Diem he proceed with plans for election provisional assembly May 15." (*Ibid.*, 751G.00/4–1255) A very full account of this conversation, drafted by Sturm, is in Collins Papers, Vietnam File, Series VIII, Cooley (April 1955).

5. Cannot the situation be held if need be for several weeks so as to permit of this orderly evolution? Might it not in the long run gain time? I would assume that de facto truce could be continued and that internal reforms could proceed.

6. This again is a matter where your local knowledge is so indispensable that I would not put my judgment against yourself, but I do want you to know that from here the risks incident to moving along the lines which Diem suggests might be acceptable to him do not seem any greater than the risks of proceeding abruptly to making a change which is imposed and not evolutionary in character.

7. I have suggested it might be worth exploring some sort of intermediate solution (my 4438 and 4466[3]). I suggest you might tell him of official U.S. denial of Paris press story today (Deptel 4515[4]) and at same time explore with him how his idea reported in paragraph 3 of your 4502 might be carried out.

Dulles

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[3] Documents 109 and 115.

[4] In this telegram, April 13, the Department instructed Collins to inform Diem personally that an International News Service story, datelined Paris, April 13, was false. The story reported reliable diplomatic sources to the effect that the United States had agreed to a French request to replace Diem and that Ely and Collins were looking for a man with greater ability and a larger popular and political following. (Department of State, Central Files, 751G.00/4–1355)

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120. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, April 14, 1955—7:33 p.m.

4537. Saigon 4529 repeated Paris 1191;[2] Paris 4436 repeated Saigon 652.[3] We fully endorse paragraph 4 Saigon 4529 and you may so inform Ely. We wish to stay clear of any joint recommendations.

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[1] Source: Department of State, Central Files, 751G.00/4–1455. Top Secret; Priority; Limit Distribution. Drafted by Hoey and Young, cleared by MacArthur and Tyler, and signed by Dulles. Sent also priority to Paris.

[2] In this telegram, April 14, Collins reported to Washington the results of a conversation with Ely who suggested that he and Collins submit at once joint answers and recommendations to the questions posed by the Department in telegram 3622 to Paris, repeated to Saigon as 4487, Document 117. Collins refused to do this explaining, as reported in the reference telegram:

"I replied that I had no such instructions from Washington, and that I was convinced Washington had made no final decision as to its views on possible change of Diem Government. I felt Washington would give weight to any recommendations I

Continued

We have not informed French that we have agreed to replacement. We only have said we want their evaluation Ely's recommendation.

What we had in mind in Department telegram 4487[4] was to permit French to come up with their plan regarding Diem's tenure which might be considered at Washington meeting. We desire that it be a unilateral and not a joint recommendation. Believe assignment Meloy and Sturm to joint drafting committee may give French impression any plan developed would in fact be joint U.S.-French proposal. This we wish avoid but understand difficulty withdrawing your offer their services. Therefore, we would hope your staff immediately would downplay their development with French of answers to our questions.[5] We would then feel safer in our line of action as well as in our reiteration of policy outlined Department telegram 4515 to Saigon repeated 3635 to Paris.[6]

Embassy Paris requested inform Bao Dai's cabinet of contents Department telegram 3635 in addition Foreign Office.[7]

Dulles

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might finally make, but that Washington would not 'buy a pig in a poke'. I felt sure Washington would reserve decision until it had clear idea as to just what French Government had in mind with respect to its overall solution of situation in Vietnam. In consequence I regretted that I could not now join in any joint answers to questions posed by Deptel 4487. I said that when and if Washington agreed to support a new government it would be well for Ely and me to submit joint recommendations. However, every effort should be made to present changes as being made on Vietnamese initiative, and not as a French, American, or Franco-American solution. Ely agreed." (Department of State, Central Files, 751G.00/4–1455)

[3] Document 116.

[4] Printed as telegram 3622 to Paris, Document 117.

[5] In telegram 4568 from Saigon, April 15, Collins reported that his staff made it clear to their working-level French counterparts that no decision to replace Diem had been made and that answers drafted by the French in reply to questions posed by the Department could not be considered joint. (Department of State, Central Files, 751G.00/4–1555)

[6] See footnote 4, *supra*.

[7] This was done, according to telegram 4488 from Paris, April 15. (Department of State, Central Files, 751G.00/4–1555)

121. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, April 16, 1955—3:12 p.m.

4575. Eyes only Collins from Secretary. I greatly doubt that it will be practical to give any effective US commitment to a program for replacing Diem without your going over the program personally with us here in Washington. To make any new plan succeed there will need to be a better understanding than can be arrived at by cable on the part of State, Defense and CIA, and also some Congressional leaders should be consulted as otherwise there will, I fear, be little chance of getting the needed appropriations. Therefore, I suggest with highest concurrence[2] that as soon as you get French proposals you should as rapidly as possible return with them to Washington for consultation here. We realize the risk of your being absent from Saigon at this critical time but also we realize that in view of the general trend of thinking here in Washington it would be almost impossible to get an effective switchover without personal consultation. I hope you will feel that the situation can be held in status quo during your absence and that your return will not be misinterpreted. Unless you think of some better reason you can say that the Congressional hearings on next year's Mutual Security Act are about to start and that appropriation for Vietnam is one of the most significant items and that you are required here briefly for that purpose.[3]

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[1] Source: Department of State, Central Files, 751G.00/4–1655. Top Secret; Niact. Drafted and signed by Dulles. At midday April 16, Dulles met with Radford, Anderson, Wisner, Stump, and Hoover to discuss sending this cable. Two telephone calls were made and transcribed during the meeting. At 12:48 p.m. Dulles called Hagerty, who was with the President in Augusta, Georgia and asked him to inform Eisenhower that it was the consensus of the meeting that Collins should return to Washington to discuss plans for Diem's replacement because such a decision could not be made by cable. At 1:09 p.m. Dulles called MacArthur and informed him of the meeting and the decision to ask Collins to return for consultations. Dulles went on to add that participants at the meeting "think the situation is getting so confused between us that we must ask him to come back." The Secretary then read the proposed cable to MacArthur for his approval. MacArthur concurred but added that in the last paragraph of the text, referring to a potential Congressional decision to cut off appropriations for Vietnam, Dulles might wish to add a reference to the $100 million for the FEC. MacArthur noted that the French were banking on receiving this aid from the United States. Dulles said he might do this. (Both memoranda, April 16; Eisenhower Library, Dulles Papers, General Telephone Conversations)

[2] According to a memorandum of conversation by Dulles, April 17, Dulles traveled to Augusta for discussions with Eisenhower beginning at 12:30 p.m. which covered a variety of topics. The following extract presents that discussion dealing with Vietnam:

"I showed the President a copy of my cable to Collins suggesting his return (4575). I had previously cleared this in principle with the President by telephone, and the President indicated his concurrence. We talked over the situation. I indicated that . . . , particularly General [*sic*] Lansdale, had much more confidence in Diem than Collins had, and I thought Collins' feeling that Diem lacked confidence in him was because Diem did not consult with him on certain matters which he felt Collins might feel in honor bound to disclose to Ely.

"The President agreed that we should not try to shift horses until we had another one to shift to. He also indicated his concern at the Congressional reaction, and said he felt it would almost surely mean cutting off the $100,000,000 for the FEC.

"(As I was leaving for the airport, I received a message that Collins was leaving for arrival on next Friday morning [April 22]. I arranged to have this information relayed to the President.)" (*Ibid.*, Meetings with the President)

I hope that if you find this program acceptable you will do all you can to see to it that Diem's authority will be fully upheld in your absence. We feel that it would be a disaster if the French should unilaterally take action which would in effect supplant Diem or so weaken his authority as to require his replacement before in fact it was known whether or not there was a substitute program that could be agreed upon by our two Governments. Ely should realize that the situation is in this respect very delicate and that any attempt by the French to rush us or force our hand in this matter would almost surely have a generally serious effect on US-French relations and in particular a Congressional decision to cut off appropriations and to accept the loss of Vietnam on the theory that the money and effort can better be spent elsewhere. This might also cut off the appropriation for FEC.

In the event you agree to flying here, to permit your rapid transportation, Admiral Stump who is now in Washington advises he can arrange direct Defense transportation from Manila.

Dulles

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[3] Text of the press release to this effect, April 18, is in telegram 3687 to Paris, April 18. (Department of State, Central Files, 751G.5-MSP/4-1855)

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122. Telegram From the Ambassador in France (Dillon) to the Department of State[1]

Paris, April 17, 1955—2 p.m.

4503. Ref Embtel 4498 (Saigon 665).[2] French called last evening to say they had received Ely's views on U.S. questions (Deptel

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[1] Source: Department of State, Central Files, 751G.00/4-1755. Top Secret; Niact. Repeated for information niact to Saigon.

[2] In this telegram, April 16, the Embassy reported on conversations with French officials Roux and Risterucci who expressed disappointment over what they described as an apparent lack of desire on the part of the United States to seek a solution to the Saigon crisis within the Franco-American context. The French were wary of coming forward with what they believed would be labeled, to use Risterucci's own words as

Continued

3622[3]) and that French Government written response would be submitted us this morning. Latter delivered Embassy this morning and we were told that Couve would receive copy prior his meeting with Secretary tomorrow and would probably refer to it. Line taken in French aide-mémoire delivered this morning follows that indicated to us orally yesterday (reftel). Free translation follows (text by pouch[4]):

"FonOff gives below unofficial (a titre officieux) response to questions submitted by Embassy April 13 to French Government:

"Question A (Deptel 3622): French Government stresses once more fact that response to this question ought not be French but Franco-American. It is urgent then that necessary instructions be addressed by American Government to Gen. Collins with view to his preparation with Gen. Ely of joint (communes) suggestions.

"It goes without saying that the personality eventually designated will have to be an indisputable nationalist and not be labelled as a man particularly favorable to French or the Americans.

"Question B: It will not escape U.S. Government that a decision ought be reached urgently. Not only does the disintegration of the country become accentuated each day but still further the tension at Saigon is such that irreparable harm can occur following the least incident. It would be eminently desirable that a conservatory measure be taken before expiration of truce April 20. Bao Dai could for example announce in course of day Monday the commencement of positive realizations and leave hope that crisis will be settled in its entirety before end of month. It could notably be made known that he has decided to convoke to Cannes to confer with him a certain number of political personalities.

"Question C: The chief of this sect (Binh Xuyen) has already promised, in a declaration dated April 12, the resignation of the Chief of the Sûreté and the placement of the police at the disposition of the new government which would be formed.

"At the time of preparation of new solution, the Chief of State would state precisely that the change of government ipso facto involved the departure of the present Chief of the Sûreté, his replacement being at the discretion of the new government.

"French Government considers that the Binh Xuyen problem must be examined at same time as the question of the sects in its entirety and following the principles of:

"A single nation,
"A single state,
"A single army,
"A single administration.

"Question D: The procedure of which the French Government is ninking can be analyzed in three successive phases:

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quoted in telegram 4498, "French proposal for replacement Diem." (*Ibid.*, 751G.00/4–1655)

[3] Document 117.

[4] In despatch 2216 from Paris, April 18. (Department of State, Central Files, 751G.00/4–1855)

"—A Franco-American phase,
"—A Franco-American-Vietnamese phase,
"—A Vietnamese phase finally, only this last phase being made public.

"Franco-American phase:

"a) Four lists would first be prepared at Saigon by common agreement of Generals Ely and Collins, namely:

"—Names of possible Prime Minister;
"—Names of members of present Cabinet to remain in future government;
"—Names of personalities not belonging to present Cabinet and capable of being called to participate in the next or any other organism of the new structure;
"—Names of the personalities who should be convoked to Cannes.

"b) Two governments French and American will then reach agreement on names to be retained (on lists).

"2) Franco-American-Vietnamese phase:

"Bao Dai would be approached secretly and jointly by the French and American authorities who would submit their joint suggestions and would reach agreement with him, on the one hand on the personalities to convoke (to Cannes) and on the other on the principal members of the new government.

"3) Purely Vietnamese phase:

"a) Within the framework of the agreement thus reached, Bao Dai would endeavor, in course of conference at Cannes, to reach a solution agreeable to parties present.

"b) It is then that he would make known his decisions to his people by a speech program which would forecast notably:

"—Creation of a Supreme Council or High Council;
"—Municipal elections permitting at a date as near as possible the indirect election (l'election a un deuxieme degre) of a National Assembly;
"—Integration of the sects in the community, in conformity with the principles enunciated above.

"Question E: a) By the participation of the sects in the Supreme Council;

"b) By the creation of a government of national union and not of clan (clan) and which would meet criticisms directed for a long time against the Diem government by the sects and, in a more general fashion, by Vietnamese public opinion.

"c) By a general policy of honors, indemnification and especially integration in the army or regrouping.

"Question F: Since the independence agreements, the French forces in the feeling of the government of the Republic are no longer intended to reinforce (enforcer) any Vietnamese Governmental formation.[5]

"In conclusion French Government believes it ought underline following points:

> "The solution of the crisis can only result from a joint Franco-American action;
>
> "It ought not be interpreted as a victory for those opposing the legal government;
>
> "It cannot, in any way, end in the creation of a government which can appear to be under foreign domination."

Dillon

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[5] In telegram 4512 from Paris, April 18, the Embassy sent the following correction: "Re question F reference telegram, sentence ending 'Vietnamese Governmental formation' should have been immediately followed by sentence: 'For present and for period impossible fix at this time, their presence (French forces) constitute, in spite rule of non-interference, factor of calm, order and stability from which the Vietnamese Government will be able largely benefit.' " (*Ibid.*)

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123. Memorandum From the Chief of the Military Assistance Advisory Group in Vietnam (O'Daniel) to the Special Representative in Vietnam (Collins)[1]

Saigon, April 18, 1955.

SUBJECT

Force Structure for Vietnamese Armed Forces

1. This memorandum is presented with the object of providing a convenient written summary of my position relative to current planning on the structure and cost of the Vietnamese Armed Forces (VNAF).

a. *Size of the VNAF by end-1955*

(1) I advocate reduction from the present 196,000 strength (forecast at 200,000 by 1 May as the result of Sect integrations) to a strength of 150,000 by the end of 1955.

(2) This drop of 50,000 will impose an admittedly heavy burden on existing administrative machinery and on the ability of civilian economy to absorb the dischargees and their dependents, totaling at least 150,000 people.

(3) A drop of 75,000 to an end-year strength of 125,000 is, in my judgment, beyond the Vietnamese capability, and will produce grave

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[1] Source: Collins Papers, Vietnam File, Series VII, O. Secret.

economic and psychological problems at a time when we can ill afford the luxury of added complications. Such a drop totals at least 225,000 people including the 75,000 military.

(4) The need for increasing the emphasis on and means available for national security action and the prospect of added tension once election negotiations open this summer, as well as the Sect problem, all combine to convince me that not less than 150,000 troops should be retained by the close of this year. This number will not include conscriptees, since, as discussed in subparagraph c below, I feel that selective service inductions should be held in abeyance until 1 January 1957.

(5) A factor which is assuming increased proportions by the day is the magnitude and complexity of the program tasks confronting the VNAF. I am of the opinion that, based on experience of the past several months, the Vietnamese will simply have more than they can handle within the established time limits. In brief, we are expecting simultaneous accomplishment of the following major undertakings:

(a) Demobilization
(b) Reorganization
(c) National security action
(d) Retraining
(e) Selective Service
(f) Achievement of autonomy
(g) Resettlement of discharged personnel and dependents

b. *Status of the VNAF in 1956*

(1) I propose that the VNAF be retained at a strength of 150,000 throughout calendar year 1956. Apropos the preceding subparagraph, this number will include no conscriptees. Major unit structure would include 4 Field and 3 Light Divisions.

(2) My reasons for this position may be summarized as follows:

(a) Need for military strength during and after the critical election period scheduled for July 1956.

(b) Requirement for thorough preparations to absorb dischargees and their dependents into the civilian economy and indoctrination of the public concerning the need for reduction.

(c) Requirement for time to establish selective service machinery and to educate the population on the need for selective service.

(d) Continuing need for strong national security forces.

c. *Selective Service*

(1) The situation in this field amounts to absence of workable machinery and inability of the government to enforce conscription at the grass roots level. Furthermore, a major program of public education is required to "sell" the need for selective service. It goes without saying that if we attempt to induct the initial increment of 10,000 selective service personnel this year, we shall get in 10,000 in-

dividuals who do not want in, and we shall be forced to release 10,000 who do not want out.

(2) I consider that the remainder of 1955 and the whole of 1956 should be devoted to establishing an effective selective service system and to educating the population on the need for peacetime draft. With these projects well in hand, induction can begin on 1 January 1957 in accordance with the present scheme for reaching an inductee strength of 40,000 (10,000 trainees, 30,000 fillers) under an 18 month service requirement.

(d) *Sect Integration*

(1) As for unit integration, I propose 9–10 light (500 man) battalions only (one per Sect province). Remaining integration up to the number conforming to the percentage of Sect population to the total population of Vietnam south of the 17th Parallel should be on an individual basis.

(2) Integrated Sect battalions should not be charged against the 4 Field and 3 Light Divisions of the Vietnamese Army; rather, be incorporated in the General Reserves.

e. *Reduction of Strength in 1957*

Commencing 1 January 1957, the VNAF should initiate reduction on a phased basis so as to reach a strength of 125,000 by 1 July 1957 and 100,000 by 31 December 1957. This strength should be maintained thereafter for the active forces. The latter will gradually be augmented by reserves as the selective service system matures.

f. *Reduction in VNAF Pay and Allowances*

I urge most strongly that existing VNAF pay and allowances not be cut as part of our immediate program. Each soldier must support several dependents (a check of one regiment disclosed that each soldier represents 3.1 persons) and cost of living is high everywhere. Generally speaking, I have the impression that military personnel are getting barely enough to live on as matters stand now. A cut will not only contribute to a hardship situation, but will create an adverse pschological reaction within the ranks.

2. *Recommendations*

a. Reduction of the VNAF from its predicted 1 May 1955 strength of 200,000 to an end-1955 strength of 150,000. Major unit structure of the 150,000 force should be 4 Field and 3 Light Divisions.

b. Retention of the 150,000 force until 1 January 1957, at which time a preplanned reduction to 125,000 should be initiated for completion by 1 July 1957. Major unit structure of the 125,000 force should be 3 Field Divisions (Vietnamese), 1 Infantry Division of 8,500 (Nung) and 3 Light Divisions. Integrated Sect battalions should be incorporated in the General Reserves and not charged against the Field and Light Divisions.

c. Suspension of selective service induction until 1 January 1957, the interim period being used to establish selective service machinery and to educate the population on the need for the program in peacetime.

d. Commencing 1 January 1957, initiation of the present plan for inducting successive contingents of 10,000 for 18 months' service, regular personnel being discharged in cadence with the rate of induction until the regular cadre attains a permanent strength of 54,000 and the inductee strength levels off at 40,000 by 31 December 1957.

e. Suspension of measures related to reduction of existing VNAF pay and allowances.

f. Integration into the VNAF this year of:

(1) 9–10 Sect light infantry battalions on the basis of one battalion per Sect province.

(2) Individual Sect personnel up to the number which, combined with those already integrated in light battalions, equals the ratio of Sect population to total population of Vietnam south of the 17th Parallel.

g. Assumption by the US of the following costs over and above those now planned for Calendar Years 1955 and 1956:[2]

	Planned Cost	*Added Cost*
CY 1955	$283,000,000	$74,000,000
CY 1956	180,000,000	120,000,000
	$463,000,000	$194,000,000

John W. O'Daniel
Lieutenant General, USA

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[2] The following handwritten marginal note by Collins appears in the margin next to the figures under "Added Cost": "Congress & U.S. Administration will not approve such increases. Collins"

124. Telegram From the Secretary of State to the Embassy in France[1]

Washington, April 18, 1955—7:51 p.m.

3697. French Ambassador called 18th and discussed Indochina situation in one-hour conversation with Secretary.

Ambassador opened by giving his interpretation present differences in viewpoints between U.S. France. While French believe solution to crisis should be studied in Saigon by Ely and Collins and recommendations put forward jointly by them so two Governments could make common decision, U.S. viewpoint appears to be French are suggesting replacement of Diem and that the U.S. would like to know details of French proposal which U.S. would then consider. French believe U.S. viewpoint unfortunate, since programs and steps should be undertaken jointly. They do not wish it said French alone are suggesting change, since reaction to unilateral French proposal would be bad. Ambassador then referred to French Aide-Mémoire contained in Paris 4503[2] (U.S. and French versions appeared to be same).

Secretary stated we agree there is crisis in Vietnam. We believe crisis has developed because of inability of Diem to take necessary action against Binh Xuyen when they challenged Government. French seem to feel crisis has arisen because of Diem's general inadequacies. U.S. does not think it wise to make any change without being absolutely certain that alternate would be preferable. U.S. not wedded to Diem. He was not picked by U.S. Secretary questioned whether French had in fact fully backed Diem. Without questioning Ely's good will or French Government's instructions, could not help having feeling lack of full support. The French Press continually refers to Diem as being "U.S. supported". Presumably if he fell, French skirts would be clean and the loss of prestige would be U.S. Since it is French who have proposed change, it is up to them to tell us what they have in mind.

Referring to Aide-Mémoire Secretary said could agree in principle to most of points made. However we are not faced with issue of principles but one of realities. Basic choice appears to be either abrupt change, having appearance of French scheme, or slower evolutionary change arising out of action by Vietnamese people. U.S. prefers latter. Among several reasons for this preference, Congressional reaction looms large. Secretary referred to upcoming Congressional examination 56 budget. If Diem yanked out of office and replaced by French or French-U.S. formula, legalized by Bao Dai, Secretary does not believe any chance of getting Congress to appropriate either money for support of Vietnam or for French Expeditionary Corps. Congress would wish to cut losses and utilize credits in other places where appears better chance success.

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[1] Source: Department of State, Central Files, 751G.00/4–1755. Top Secret; Priority; Limit Distribution. Also sent priority to Saigon; drafted by Hoey; cleared by Young, Merchant, MacArthur, and Robertson; and signed by Dulles.

[2] Document 122.

Secretary said Collins was asked to return soon principally to appear before Congressional Committees and to discuss Vietnamese problem.

Returning to formula put forward French Aide-Mémoire, Secretary pointed out Binh Xuyen enjoy police powers result Bao Dai action. Can we assume Bao Dai will withdraw these powers from which he apparently draws revenue? In past Bao Dai has not indicated he puts national welfare above personal advantages. Another factor regarding removal of Diem is possibility he would not submit to abrupt removal by French or U.S. but would simply become another divisive factor working against any successor Government and be endowed with considerable local support. Only short time ago in Saigon Secretary was informed Diem enjoyed considerable popular support and that it was doubtful if he could be removed without highly unfavorable repercussions.

Ambassador replied it true Ely prevented Diem from trying to wipe out Binh Xuyen. Ely did not do this because he supported Binh Xuyen but because, first, of doubt national army could do job successfully, and, second, if it did, Binh Xuyen would be driven underground to continue opposition. During December talks in Paris, French had expressed misgivings of Diem but had no alternative solution. In interim, French had done best to support Diem but even with such support, he is incapable. Ambassador said French felt insufficient time remained for working toward solution through elections in South Viet-Nam to provide basis for Government. Therefore something must be done by U.S. and French to find alternate solution at once.

Secretary reiterated U.S. position that of choosing one of two apparent alternate courses of action, specifically whether to proceed along the lines proposed by French, remove Diem at once and replace him with yet unknown person. This course was inferior from our viewpoint to more gradual and evolutionary change in the Government arising out of expression of desires of Vietnamese people. Also fact could not be escaped that, in the Secretary's view, Congress would not appropriate funds if the course proposed by French were followed.

Ambassador remarked French felt necessary turn to Bao Dai to effect change in Government because there is no electoral body in Viet-Nam. The Secretary asked why an electoral body could not be set up. The spectacle of the French with or without U.S. participating suddenly yanking Diem out of office and going through the motions of having him replaced by Bao Dai at Cannes would be unedifying.[3]

Ambassador asked our reaction if he should recommend to his Government that it send representative to Washington to be here for discussions during Collins' visit. Secretary agreed good idea but we still unsure of Collins' schedule.

Ambassador summarized by saying we have to solve problems of

a. Is it necessary to make a change?
b. If it is, to whom would we turn?

Secretary agreed and said in any change Diem's strength should be retained as an asset for the Government of Viet-Nam and not a force against it. Also there is the question of dealing with the sects. We consider Cao Dai and Hoa Hao as apart from Binh Xuyen. Former have some roots in Vietnamese community and probably should not be drastically uprooted. Binh Xuyen have no such stature. Ambassador said he felt the sects should work with Government but should not run it.

Secretary agreed and stated their armies would probably have to be integrated to some degree in national army.

Dulles

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[3] Dulles changed the last word in this sentence from "catastrophic" to "unedifying".

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125. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, April 19, 1955—11 p.m.

4661. For Secretary from Collins.

1. I met with Ely at 0900 April 19. Ely gave general historical review of his position, stressing point that he had always supported Diem, even before my arrival. He repeated earlier remarks to effect that charges his subordinates had worked against his orders and on behalf of sects were false. He said "legend" French had withheld gasoline supplies from Vietnamese Army was no more than propaganda

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[1] Source: Department of State, Central Files, 751G.00/4–1955. Top Secret; Priority; Limit Distribution. Repeated for information priority to Paris for Dillon. Portions of this telegram are also printed in *United States–Vietnam Relations*, Book 10, pp. 912–914.

and evidence bad faith. Diem is now engaging in propaganda war on Ely, charging him with being a "colonialist", whereas, in fact, he hates the thing as much as the word. He said he had done everything possible help Diem until latter had incurred risk of civil war, feeling that Prime Minister should be supported, since Diem had done much after Geneva maintain integrity of Free Vietnam, and thanks to him, refugees coming south had been so numerous. Ely added that since he had defended Diem so stoutly, he thought himself able now express his full revised opinion which is that Diem cannot be saved if we wish to save Vietnam. Diem has played his part, but to keep him now would be to risk catastrophe.

2. Ely continued that our common problem is now to save Vietnam from Communism. Even Diem's own men feel he is incapable of governing. Army does not support him, except to extent that he breaks down army organization and discipline to attract individuals to his cause. Intellectuals are against him, and Ely feels county is on verge of chaos. The few men who are still working with Diem are inspired by him with feeling of hatred toward all forms of opposition. Sects are unanimously against Diem even Trinh Minh The. Diem cannot now solve sect problem regardless of offers he might make to sects. Ely added he feels crisis has reached such degree there is no longer any possibility of saving Diem and that to preserve him artificially only prolongs crisis.

3. He added Diem cannot work with a new team and that Binh Xuyen will not surrender police control to him. With respect to modified Thoai proposal, Ely said I had stated it would work only if three essential conditions were realized. These conditions cannot be realized except through great pressure exerted by France and U.S., and such pressure would nullify any good qualities inherent in proposal.[2] Ely said conversation he held with Quat April 17 led him believe Quat was unwilling compromise himself by working with Diem now. Ely said that to maintain Diem as head of government would require such pressure from France and U.S. that he would inevitably

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[2] According to telegram 4544 from Saigon, April 14, Thoai proposed (and stated that the proposal had Diem's agreement in principle) that an interim government be formed to carry on for 3 months by which time an elected constituent assembly would be in operation (elections were scheduled for May 15, 1955). This assembly would determine whether Diem or a successor should be premier and what form of government Vietnam should have. (Department of State, Central Files, 751G.00/4–1555)

Collins suggested as a modification, reported in telegram 4599 from Saigon, April 17, that the assembly should recommend to Bao Dai whether to retain Diem or appoint a new premier. Collins' three essential points were as follows: 1) the interim government should be made up of able men such as Quat, Do, Minh, and Thoai; 2) Diem should agree to allow these cabinet ministers to operate under true principles of cabinet responsibility and should agree to the decision of the provisional assembly as to his fate; and 3) the new interim government should take control of the National Police and Sûreté and appoint its own police chief. (*Ibid.*, 751G.00/4–1755) be stigmatized as most thorough-going puppet yet to govern Vietnam. Moreover, modified Thoai plan would tend to eliminate Bao Dai who is only existing legal power.

4. I said proposal as it now stands is that Provisional Assembly would "recommend" chief of government to Bao Dai. To be sure, we would have to bring pressure on Bao Dai to make him accept recommendation but that would not compromise such legality as he possesses. Ely said many people do not see problem in that light, and any effort to eliminate Bao Dai prematurely before stable political institutions would be to court anarchy. I agreed with Ely that for time being status of Bao Dai must be maintained, but felt proposal to have Provisional Assembly nominate Prime Minister, Diem or someone else, would retain legal status of Bao Dai.

5. I told Ely that Do had said selection by Bao Dai of new Prime Minister would cause Diem's successor to lose one-half his prestige at once. Ely said that Do may actually now have turned in his thinking to Bao Dai. He said he believed worst possible solution would be to consolidate Diem's position through intermediary of Bao Dai. He said no elections can be held until tensions are relaxed and that Diem is incapable of exerting pacifying influence. Moreover, he said there is evidence Diem is trying buy off sects, including Bay Vien, with U.S. money. He commented this was curiously venal practice for "pure" man. Ely said he believes our first task is to solve present crisis and that cannot be done by means of modified Thoai proposal which would not save Diem but, on contrary, might lose Vietnam.

6. Ely repeated his belief that past support for Diem had not been an error. He said that we must now envisage changing Prime Minister but not policy. This, he said, corresponds to wishes of Vietnamese people. I asked Ely how he could prove such is will of Vietnamese people in absence of any Assembly. Statement can only represent Ely's estimate. He replied it is obvious that people wish to be rid of Diem. I replied Diem could challenge statement and, in any case, no one was in position to prove Vietnamese people wished to be rid of Diem. Ely said present crisis itself was evidence. I replied that crisis had been caused by sect minority looking after own selfish interests. Same governmental program under another Prime Minister would inevitably have led to opposition from sects. Ely said that if such other Prime Minister had been similar to Diem he would agree, but Diem had handled situation very badly, and even his own relatives, Do and Thoai, no longer believed in him.

7. I told Ely he and I were foreigners here and even Bao Dai was to some extent foreign. None of us could say whether Vietnamese people were united as to choice of any successor to Diem. Without Parliament, it cannot be proved to U.S. public and press opinion that Diem is no longer wanted. If Diem was removed in absence of some

representative body, I could not predict U.S. Congressional reaction. Therefore, I urged Ely not discount solution unless Vietnamese themselves rejected it. Ely repeated that Diem remains in power only by our intervention. I said if his analysis was correct, an Assembly would vote Diem out, and if an Assembly did so, I believed U.S. would accept decision. Ely said he knew he could not prove his statement, but he believed that to maintain Diem against popular will would be to diminish validity of expression of popular will when elections become possible. I said that, on contrary, modified Thoai proposal would work only if acccepted by considerable body of Vietnamese opinion.[3] Bao Dai is Franco-U.S. choice. I said I did not know whether proposal would work, that I intended to have further consultations today and only asked Ely not to prejudge outcome. Ely said that, in his view, no solution could appear to be more marked as Franco-U.S. solution than maintenance of Diem. I said I could not agree with this since plan would not work unless good many Vietnamese agreed to it.

8. Ely said that he must mark this as a point of disagreement between us since if plan did work it would be because of my putting pressure on Vietnamese. I agreed that Thoai proposal, as modified, would work only if U.S. and France backed it, and if the basic elements were agreed to by Diem, Do, Quat *et al.* and by Binh Xuyen. I reminded him Washington had not yet agreed to withdraw support from Diem, and that if it did agree to withdraw support, such withdrawal would be very hard for Secretary and me to explain to American people. Ely said he was unable to see how anyone was justified in maintaining Diem in office against best judgment of people on the spot. With respect to possible working out of proposal, I told Ely my guess would be that Provisional Assembly would vote Diem out of office unless he had been brought to change his methods of operation. Ely said this was a difference of point of view between us, explained by fact that he has special responsibilities with respect to crisis which he feels cannot be solved as long Diem is in office. He said situation is getting worse daily, and he attributes this wholly to Diem's influence. Situation is worsening in the center, and underground is growing. Only by surgery, that is removal of Diem, can country be saved. I said I did not believe situation would develop radically in three weeks, but I would present Ely's views to Washington. Ely said he did not believe situation could be solved in three weeks but could become irremediable in that time. He said that country must have psychological shock of change of Prime Minister.

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[3] A note on the source text indicates that approximately 25 characters were omitted at this point in the coded message.

9. Ely went on to say that, paradoxical as it might seem, south had never had such good chance of being saved. He rates this chance now at more than 50 percent. He said Viet Minh are losing their own economic battle. They have lost struggle for refugees, and they have not succeeded in consolidating their administrative apparatus. In south, people have not been too badly contaminated by Viet Minh and can still be taken in hand by someone other than Diem.

10. I told Ely we had received copy of French answers on Washington questions. I said one thing was missing; namely, who French have in mind as new Prime Minister and Cabinet members. Ely said he would be tempted to give me names and that he was sure my list was similar to his. However, neither he nor French Government wants French solution. He was certain that if he gave me specific names, solution would at some point be made to appear French. I said Washington would still want this question answered.

11. I reiterated to Ely I have publicly and privately reported support he has given Diem. At same time, there is conviction in Washington that French Government has not given Diem full support but has been only waiting for an opportunity to get rid of him. That and fact France has simultaneously been carrying on negotiations with Viet Minh in Hanoi is why Washington is skeptical about French position. Ely said that if he had not received instructions to effect that French colonialism was dead in Vietnam, that French Union was based on idea of equality, and that despite Sainteny's presence only Ely spoke for France in Vietnam, he would not be here now. He said that he and he alone is responsible for execution of French policy in Vietnam. I suggested that Paris might usefully say to Washington what Ely had just said to me. Van Laetham said that what happened in north had no connection with our problem here. I said that, on contrary, in Washington view there is intimate connection. Van Laetham said French understand our problem with respect to public opinion, but they have their own public opinion problem, and French Government had to attempt topreserve something in north. That did not mean, however, that government was playing double game. I again suggested that should be made clear to Washington.

12. Ely said that if Diem must be retained as Prime Minister, he felt he could not continue to be responsible French representative in Vietnam.

13. To summarize Ely's position, I said with respect to modified Thoai proposal he made three major points:

(a) Ely said he thought it would not work and would be interpreted as a solution imposed from without.

(b) Ely does not believe situation could be held in balance for six weeks.

(c) It appeared Ely felt that if conditions prerequisite to implementing modified Thoai proposal were met, he would still feel he could not remain here or continue to accept responsibility during next six weeks. I had understood Ely to say he could not remain if Diem remained permanently in power. I wished to know whether that stricture applied also to provisional solution.

14. Ely said he did not believe in solution, that he did not think it valid, that he felt that new crisis would be upon us in three weeks, and that we would lose our last chance to save Vietnam. I said it appeared clear Ely would not accept solution. In that case, it could obviously not work, especially since there could be no question of replacing Ely at this point.

15. I suggested that I report later April 19 my consultations with Do, Quat, *et al.*, and with Diem. I said to Ely I did not know what would be outcome of my trip to Washington. I believed that if Vietnamese agreed to modified Thoai proposal, U.S. would support it if French would. In any case, I thought it worth trying. I said that in any case I believed that with U.S.-French support and cooperation there would not be outbreak of civil war during my absence. I said I was very concerned that if French Government has decided that Diem must leave at once, without any transitional phase, decision might be to end U.S. aid. I said Ely might think such a decision would be grave mistake, but it might still be taken by Congress through cutting off appropriations.

16. More follows.[4]

[Collins]

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[4] Telegram 4662, *infra*.

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126. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, April 19, 1955—11 p.m.

4662. To the Secretary from Collins.

1. I met with Do, Quat, Minh and Tran Van Van 1500 April 19 to review with them their reactions to modified Thoai proposal. I

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[1] Source: Department of State, Central Files, 751G.00/4-1955. Top Secret; Priority; Limit Distribution. Repeated for information priority to Paris for Dillon. Printed also in *United States-Vietnam Relations, 1945-1967*, Book 10, pp. 915-917.

went over each step carefully, so that there would be no misunderstanding as to my meaning.

2. Minh's reaction was that situation was now much worse than in period before his resignation and crisis would be much more easily resolved without Diem than with him. Minh said he tended to favor early general elections to set up a constitutional assembly in 3 or 4 months. Meanwhile, a coalition government would be necessary, but it would be difficult to form with Diem as Prime Minister.

3. Quat said he had no specific commentary to make on the proposal but wished to contribute an analysis of crisis. The two main elements, he said, are Diem's government and sects' position. A third and less crucial factor is political opinion of opposition other than sects. Diem's obvious errors and faulty methods have created moat between him and all other elements in the society which is becoming broader and deeper, and contacts between Diem and others are becoming more remote. With regard to sects, these groups know the problem they createmust be resolved. He feels only way to resolve problem is progressively through mobilizing public opinion and creating an atmosphere in which sects can be induced accept peaceful solution. Problem could have been resolved more easily at an earlier time. Quat said he did not think Diem and any team he might gather could resume effective contact with sects.

4. Quat discussed in a generally unfavorable sense Do's idea of having Bao Dai convoke a congress.[2] He said the congress would be more quickly set up than a Provisional Assembly and would be more manageable. However, owing to Bao Dai's absence in France, present political roles of sects and attitude of other political groups, he believed congress not practicable. Quat said he thought the best solution would be provided by a Provisional Assembly, but political groups are fearful of any assembly constituted under Diem as Prime Minister.

5. Do said that in his view means should be found to allow Vietnamese public opinion to be heard. He had suggested congress as a means to that end. If there were an assembly present, crisis could be more easily resolved. A congress, operating under Binh Xuyen menace, might remove Diem and this could be interpreted as victory for sects with unfortunate effects in U.S. Do suggested as possibility that congress berepresentative only of political groups and not of sects. If Provisional Assembly solution were adopted, it would be necessary find interim government to function for period of perhaps six weeks and thus problem remains of creating a new government. Diem is a barrier to solution of this problem. Do referred to fact that

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[2] Do made this suggestion, as reported in telegram 4599, April 17, in a discussion with Collins on April 15. (Department of State, Central Files, 751G.00/4–1755)

during nine years of war no government could obtain popular support for struggle against Communism because they were all French puppet governments. Problem now is to gain popular support to continue resistance to Viet Minh. Diem's government has not succeeded in convincing people or political groups of necessity to carry on anti-Viet Minh struggle. Only a government fully supported by people can do that, and such a government must come from some kind of popular body, either an assembly or a congress. As a practical test of whether provisional government followed by Provisional Assembly would be acceptable solution, Do suggested asking specific individuals, such as Quat and Minh, whether they would agree to enter such provisional government. Minh said that he would agree to enter a provisional government if political groups represented by Quat and others accepted, but he felt this solution had been overtaken by events. Quat said that if an immediate answer from him was required, it would have to be negative. He added that, in his opinion, Diem cannot now organize an interim government.

6. Van said that he felt Diem might accept the proposal but that proposed members of new team, thinking Diem incapable of change, would not agree to participate. He said that Diem does not have support in the country, and while his group would risk almost anything for a good solution, they would not take the chance of participating in interim Diem Cabinet.

7. I said that if Vietnamese leaders were unable to find solution, and Diem was removed under circumstances which pointed to sect victory, it would be very difficult to obtain popular support in U.S. for continuation of U.S. aid. I therefore urged participants to consider matter further and to find some other solution if that which we discussed seemed impracticable to them.

8. More follows.[3]

[Collins]

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[3] Telegram 4663, *infra*.

127. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, April 19, 1955—11 p.m.

4663. For Secretary from Collins.

1. I called on Diem 1800 April 19 and asked whether he had considered further modified Thoai proposal. Diem handed me following note (in English):

Begin verbatim text.

1) I agree with idea of coalition if it is truly to obtain representation for the great majority of the people;

2) This is in accord with my belief in government which represents the people—and toward which I have been trying hard to bring Vietnam against so many difficulties;

3) I do not feel that the names given to me as suggestions for members of my cabinet—men from small opposition parties who actually represent only a handful of people—are in accord with the principle of having the great majority of the people represented in the Government--which I understand is our mutual desire. Certainly this is the political principle of the United States in its own government;

4) I agree that no one man should manipulate the election of a National Assembly so that he dominates it falsely. This is the very reason why I have proposed that we hold a general election—in a manner which will be most familiar to my people—to elect a National Assembly;

5) With a general election, there is every reason to expect that the people will be represented by people of their own choosing—and not by self-appointed spokesmen for the people;

6) I do not believe any freedom-loving Vietnamese—and we all know that we are facing a clear decision between freedom and Communism here—is fearful of Communists being elected to high position through the means of a general election;

7) I would prefer to let an assembly chosen by all the people in a general election be the deciding factor in the continued life of this government—than to have a complex system of contrived representation do so, no matter how wisely this system was devised by a group of men. The people are the ones whose lives are at stake. They should be given a voice in their own future;

8) On the basis of these principles dear to me, and to free men throughout the world, I am willing to accept coalition.

April 19, 1955. *End verbatim text.*

2. With reference to last paragraph of note, I asked whom Diem would take into a "coalition". He said that his Cabinet ministers should be "capable, neutral" men. He made a point which the note does not make clear that the coalition he envisages would be formed

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[1] Source: Department of State, Central Files, 751G.00/4–1955. Top Secret; Priority; Limit Distribution. Repeated for information priority to Paris for Dillon. Printed also in *United States–Vietnam Relations, 1945–1967*, Book 10, pp. 918–922.

after general elections to be held in3 or 4 months. Diem said that his government must fight Communism, feudalism, and colonialism. If it had 5 or 10 years it could use various peaceful measures. However, owing to exigencies of situation, military pressure must be used. He said he believed the people were in accord with that principle.

3. I reminded Diem that there is no election law and no election machinery. I said all those I had consulted agreed that general elections were not now practicable. I added that in my view his government could not continue for three months as it is now. Diem replied that he believed when people knew elections would take place in three months they would change their attitude. I asked what he proposed to do in the meantime. He said he would carry out reforms and programs with which I was familiar, and to do this he proposed to choose only additional Cabinet members having same political concepts as himself. He said the struggle is very hard and there can be no compromise.

4. I asked if he thought Quat was in favor of colonialism, feudalism, and Communism. He said that Quat favors compromise methods. I asked the same about Do. Diem said Do avoids difficulties and has no plan. I asked same about Thoai. Diem said that Thoai is anxious only to return to his chemical laboratory.

5. I told Diem that I did not know what would happen to his government and country if he continued on present course since I believed his solution must lead to civil war. Diem replied that he realized risks were involved, and that he never ceased to reflect on nation's problems. He said compromise had lost the war against Viet Minh. I said that in my opinion Vietnamese people did not want civil war. Diem replied that neither did he wish civil war, but added that "feudalists" are unscrupulous. I said that I must report to my government that I believed Diem's course of action must lead to civil war.

6. I told Diem that all Vietnamese with whom I had talked were likewise opposed to colonialism, feudalism, and Communism. However, they differ as to methods of tackling these problems and do not approve of Diem's way of working. Diem said that on the contrary they did not oppose his methods, but his political concepts. He added that every time a compromise is made the problem returns in more acute form. The people do not like this.

7. I asked what Diem would do if Bao Dai decided to make a change of Prime Minister. Diem said Bao Dai has power to do so and will decide. However, experience in Vietnam during the war had proved compromise to be ineffectual. It will be unfortunate if Bao Dai does not accept his course of action. I told Diem that I believed that if no coalition were effected prior to elections, Bao Dai would make a change. I had tried to assist Vietnamese to avoid drastic solu-

tion of this sort, but unless government is effectively broadened, I believe there will be a change. Diem said he was continuing his political conversations to test acceptability of his ideas. I said I hoped he would do everything possible to avoid open conflict during my absence. Diem said that if he had removed Sang as Chief of Police in beginning, he would now have Saigon well in hand.

8. I asked if he had had any reports from Luyen. Diem replied that Bao Dai was absent when Luyen arrived. He said that Luyen had reported that people in Paris had no understanding of what was going on in Vietnam.

9. On taking my departure I said that in my opinion Bao Dai would remove Diem if he continued as at present. I had done my best to help. I admired his accomplishments and his character, but not his method of working and only regretted that I had not been able to do more for him and his country.

10. I see no alternative to the early replacement of Diem.

[Collins]

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128. Letter From the Secretary of State to the Special Representative in Vietnam (Collins)[1]

[Washington,] April 20, 1955.

DEAR JOE: I am very sorry indeed not to be here when you arrive.[2] I shall, of course, see you quickly when I get back on Monday.[3] In the meantime, here is a sample of my thinking.

Diem was picked not by us but by the French. We have backed him and backed him 100% because (a) nobody better appeared on the horizon, and (b) because no one can survive without *wholehearted* backing.

The French, however, have long since become dubious about Diem, and, while I have no doubt that Ely personally has been loyal, the French Government and press have made no secret of their desire to find a replacement. The French press has uniformly put the United States label on Diem. To them he is always "American-backed Diem" or "the Diem experiment". Never have they suggested that he is "French-backed" or looked upon as other than an "experiment".

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[1] Source: Eisenhower Library, Dulles Papers, Indochina, June 1954–April 1956. Top Secret; Personal and Private. Drafted by Dulles.

[2] Dulles left Washington on April 20 for a vacation at Duck Island, Lake Ontario. (Princeton University Library, Dulles Papers, Dulles' Appointment Book)

[3] April 25.

It seems to me that the crisis came when Diem was threatened by a minor act of insurgency by the Binh Xuyen. It happened that that occurred when I was lunching at the White House with a bipartisan group, Congressmen one day and Senators the next. I told them that this was just the opportunity we had been waiting for to find out whether Diem had the courage and determination to *act* and whether he had the loyalty of the Army. I said that if these two things were demonstrated, then I thought we were over the hump; but that if he failed in either respect, then he would have to go. But at least we would have the answer. Therefore, it came as a tremendous shock and disappointment when we learned that, although Diem did have the determination to act and although he apparently did have the loyalty of the Army, the French prevented his acting and allowed the Binh Xuyen to defy him with impunity and to compel him to make a "truce" which put the National Government on a parity with a bunch of gangsters.

I am not surprised if many in Vietnam interpreted that as the writing on the wall and hurriedly disassociated themselves from what seemed to be a doomed government. I say this without ignoring the fact that Diem's own characteristics, long known to us, may have contributed appreciably to this result.

My attitude now is the same as it has always been and frequently expressed to the French, namely, if every change can be made to advantage, we are open-minded to it. However, it would seem to me disastrous to destroy the morale and authority of the Diem Government even before we have any idea as to what would come next.

Among other things that need to be explored in this connection is the question of what change can obtain financial backing from the United States comparable to that which we are prepared to give Diem. This is a matter not just for the Executive but for the Congress and those who have leadership in this matter, such as Mansfield in the Senate and Walter Judd in the House, are very strongly opposed to any shift. As things now stand, they would, I think, throw their influence, perhaps decisively, against backing any substitute that now seems in sight.

Also, I wonder whether it can be taken for granted, as it seems to be, that Diem will get out quietly and not himself raise a flag of rebellion against a successor régime as "colonialist". If he has the idealistic and stubborn qualities which have been attributed to him, I would think that there was risk about this.

Such considerations seem to me very important. I recognize that Diem probably cannot carry on without a broader base, although if he had United States and French support, the loyalty of the Army, a considerable popular support, and Cao Dai and Hoa Hao benevolent neutrality, that is a not negligible base. But if change is to be effected, can it not come as a gradual evolutionary process and not as an abrupt break? I fear the latter would have consequences which would be disastrous.

It is because of these reasons that I am glad that you are here.

Mr. Hoover is fully aware of our thinking and while Walter Robertson is unfortunately also away, others here have been sitting in on all the talks. Also, of course, CIA has a big and helpful interest in the situation, as do the Defense people.

I think it important that you should talk with the Congressional Committees or Subcommittees. But perhaps this could usefully be deferred until there is a clearer line of policy agreed on by the Executive Branch.

It seems to me that, so far, the French come up only with generalities which sound good, but that when it comes actually to filling in the blanks with names and with money, then the trouble begins.

With my very best wishes, and looking forward to seeing you on Monday, I am

Sincerely yours,

John Foster Dulles[5]

P.S. This was dictated before I had a chance to read your latest cables reporting your talks with Do, Quat, Minh, and so forth. These provide considerable food for thought.

J.F.D.

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[5] Printed from a copy which bears this typed signature.

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129. Memorandum of a Conversation, Paris, April 21, 1955[1]

PARTICIPANTS

Nguyen De, Director of Bao Dai's Cabinet
William M. Gibson, First Secretary of Embassy
David Bane, Second Secretary of Embassy

Nguyen De called yesterday to deliver an urgent message from Bao Dai whom he had just left in Cannes.

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[1] Source: Department of State, Central Files, 751G.00/4–2155. Top Secret. Drafted by Gibson.

He opened the conversation by restating the observations made during our last interview reported in Embtel 4497 repeated Saigon as 664.[2] He described Bao Dai's reaction to the proposal that a National Assembly be formed in three months by some form of universal suffrage as impossible to carry out on practical grounds. Bao Dai described it as "madness" (une folie). Bao Dai was now more convinced than ever that before any long-term plans, no matter how meritorious, could be put into effect, the immediate problem of dealing with the present crisis must be faced. In his opinion all other considerations must be cast aside for the moment if the battle against Communism in South Vietnam is to be won. The first step is the all important one of dealing with the present crisis. There is no longer any time to lose for the sects are enforcing their positions and becoming more intransigent. Any further procrastination will drive them underground and eventually into the hands of the Vietminh.

Bao Dai agrees that power must be removed from the hands of the Binh Xuyen but considers it impractical to do so in one fell swoop since it would be impossible to maintain order afterwards and civil war would really result. He is aware of Diem's qualities as often cited but regards his present position as untenable. The problem is now, Bao Dai says, how to deal with the present crisis in removing Diem from his present position without losing U.S. aid. Without U.S. aidVietnam would cease to exist and it is unthinkable to plan her future without both U.S. and French friendship.

In considering the plan for dealing with the crisis which is set forth below, Bao Dai wishes to make a categorical statement that he will do nothing regarding this plan or otherwise without prior U.S. and French approval.

Bao Dai's suggested solution is that Diem must be removed from the scene for the time being. The problem is how to do this without antagonizing the U.S. and precipitating the withdrawal of U.S. aid. Whatever Government is in power must have not only the representation of all leading Vietnamese religious and political factions but must have true responsibilities for governing. Under the present system the Government is divided roughly into three parts: (1) The Chief of State (Bao Dai), (2) The Government itself with its Cabinet and (3) The "Provisional National Council" (National Assembly, etc.—not yet formed). The role of the Chief of State is presently that of arbitrator and catalyst in getting things done. He provides legality for the exercise of true powers which are held by the Government. The first prerequisite of any future Government is that it have a degree of stability which can only be attained if its members agree to retain their offices as long as the Prime Minister remains in power. This is unenforceable, of course, but an attempt should at least be made to have members of Cabinet accept such a moral obligation.

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[2] In this telegram, dated April 16, the Embassy had reported that it had that morning, as instructed in telegram 3678 to Paris, April 15, informed Nguyen De that the United States hoped Bao Dai would give favorable attention to a compromise to be based on a formula put forward by Diem, according to which elections would be held for a constituent assembly in 3 months, after which the assembly would choose a government. In the meantime, Diem would form an interim government. "While De assured us he would faithfully present Dept's views to Bao Dai, he made no secret his personal opposition to formula as outlined. He emphasized at length his fundamental opposition to the holding of general elections in South Vietnam in the near future for reason Communist elements would be only beneficiaries and, in any event, he said, no really effective interim govt could be formed so long as Diem headed it." (*Ibid.*, 751G.00/4-1655 and 751G.00/4-1555)

In his proposed plan, Bao Dai advocates that in addition to a Government with a Prime Minister and Cabinet of approximately 12 men, there should be a "Supreme Council of National Union". This latter body would form the third element of a three-part Government in place of the non-existent provisional national council. It would participate with Bao Dai and the Cabinet in the exercise of real and not advisory powers. Its main distinction from the Cabinet itself would be that it would include representation of all factions including sects, religious groups, army, peasantry and trade unions. In this connection, De remarked that at the present time, the peasantry and syndicates—in which category he would include skilled labor—represent about 95% of the population and now have no representation in the Government. On the other hand, the Cabinet would be made up of leading "notabilities" who would be men who need not necessarily belong to any political or religious group but who would, as a sine qua non, have universal responsibility and the confidence of the country as a whole. It is intended that the Council of National Union would be a temporary body which would disappear as soon as constituent and legislative assemblies were formed. It is suggested that its membership should be between eighteen and twenty. It is contemplated that Bao Dai would direct and advise it in regard to its functions without participating in it directly. On the other hand, the "notabilities", who would make up the Cabinet, should have both technical, political and moral qualifications but need not be active members of political or religious groups.

It is suggested that when the Supreme Council of National Union is formed its main political premises should be fixed in advance. Its powers would go beyond these minimal guidelines but would never contradict them. Included in the minimum program would be the following political principles: (1) Alignment with the West; (2) Strictly anti-Communist and (3) Furtherance of democratic principles, et cetera.

De then returned to the question of how to replace Diem without "antagonizing the U.S." He stated that Bao Dai was opposed to any return to past ills in the form of Vietnamese statesmen who had already participated in post-war Governments and had failed, and that no indication be given to the sects that in the present crisis it is they who have won and Diem who has lost. A man must be found to be Prime Minister and in Bao Dai's opinion the best candidate is Pham Huy Quat. It is suggested that Quat be approached in a confidential manner after U.S. approval is obtained and be asked to come to Cannes, together with two or three other leading personalities. Once there, he and Bao Dai would undertake the choosing of ten or twelve men who might take part in the proposed new Government. Negotiations on such participation would proceed without delay. Convocation of Quat would only take place with prior U.S. and French agreement. Once the step of Quat's convocation is taken, discreet steps would be taken to convoke Diem, steps having been taken in advance to give the impression that Diem is in agreement with this whole matter which, Bao Dai claims, can be arranged. He would then take part in negotiations for a new Government and might actually participate himself. However, that would be determined during consultations and negotiations here and in Saigon.

If the U.S. agrees to this plan (and presumably the French), Bao Dai states categorically that he can put it into effect and can obtain Quat's full concurrence (Quat is aware that "he is in Bao Dai's eye") and guarantees (1) that he can persuade the sects not to take part in the Government but only in the Council and in a limited manner; (2) that he will obtain agreement of the sects to incorporate all their forces into the National Army, and (3) that the Binh Xuyen will agree to give up all its control of "national security" including, of course, the police in Saigon. The entire operation, however, must be done as one move with each step following rapidly upon the other. Bao Dai is confident he can carry it off and will engage his personal prestige with the U.S. in doing so, but he will not undertake the plan unless he has full prior U.S. agreement including a firm understanding that under no circumstances will the U.S. take any action or make any statement which will indicate to the Vietnamese that Quat is "a U.S. man" and that he will in no sense be acting under U.S. influence as Prime Minister. Bao Dai emphasizes the importance of the fact that Quat, who already enjoys considerable prestige and following, and who will receive all that of Bao Dai and of other factions in Vietnam, whom Bao Dai can influence to support him, must not be suspected as being a tool of the West and particularly of the U.S.

In reply to our question as to how and when the French were to be brought into this plan, De stated that it is for us to determine that it would presumably be at an early stage. He claimed that Quat could not succeed on his own but that he could with his present following and that which he will undoubtedly receive once Bao Dai "gets the wheels moving."

De reported that Bao Dai presents this as the last and possibly only plan left for dealing with the present crisis. It is not to be confused with any other plans which may be attributed to Bao Dai. Ambassador Chuong was not informed of it when he called on Bao Dai prior to returning to Washington and is not, therefore, au courant with it. Ngo Dinh Luyen is still cooling his heels in Cannes as Bao Dai has refused to receive him while this plan was being presented to us. De incidentally informed us that Ngo Dinh Luyen has told Bao Dai in seeking an audience that he was informed by U.S. officials that they supported his plan and that Bao Dai must consider it immediately. This is totally untrue as far as this Embassy is concerned as we have had no contact with Luyen. Needless to say, Bao Dai strongly favors this plan and states "that if the U.S. opposes it and obliges the Vietnamese people to continue to accept Diem as Prime Minister, Bao Dai will give in to U.S. views because Vietnamese national interest does not permit Vietnam to do otherwise and because U.S. aid is the prerequisite to her survival, but he will do so on conviction that we are mistaken and in full conscience that it will lead to a national disaster." In that case he feels obliged to inform us that he will no longer be able to take any responsibilities for the present Government in Vietnam.

We asked how prepared if at all Quat was to go along with such a plan and De stated that he (Quat) was already aware that he was being considered and that Bao Dai guaranteed that he would come to Cannes immediately as soon as summoned. Finally, De said that he would remain in Paris until he received an answer from us which he would take to Bao Dai immediately. He closed again reiterating the importance of prompt action.

William M. Gibson[3]

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[3] Printed from a copy which bears this typed signature and an indication it was signed.

130. Memorandum for the Record, by Senator Mike Mansfield[1]

Washington, April 21, 1955.

At 4:45 p.m. on April 21st, I was visited by Pierre Millet, Minister of the French Embassy, Washington, D.C., who discussed with me the Indo-China situation. He talked about the possibilities of replacing Ngo Dinh Diem with somebody else and stated that in the opinion of the French, he could not carry on and that General Ely and General Collins had arrived at that conclusion. He emphasized that Ely had changed his mind just recently and stated in effect that the position he had assumed in regard to Vien may have been too rigid. I accepted that statement but told him that in my opinion that if Diem fell no one man could replace him out of the 4 or 5 being considered and that the result will be chaos and civil war and that the country would become an easy pray [*prey*] to Ho Chi Minh and the communists. Evidently, he was here to pressure me into changing my position on Diem but I still feel he is the only man who stands a chance and it is a long chance of keeping South Vietnam free. I was not surprised when Mr. Millet came here to see me although I was supposed to see the French Ambassador. It appears to me that the Administration in discussing the Indo-China situation with the French Ambassador here is in effect putting the major responsibility on me. As to what our future decision will be vis-à-vis the retention or overthrow of Diem I pointed out to Mr. Millet that the responsibility lay with the President and Secretary of State and that it was up to them to assume that responsibility. All I could do was to make my views known.

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[1] Source: University of Montana, Mansfield Papers, Series XXII, Box 107, Vietnam.

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131. Letter From the Assistant Secretary of Defense for International Security Affairs (Hensel) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)[1]

Washington, April 22, 1955.

Dear Walter: I refer to the current situation in South Vietnam and the probable necessity for review of the basic policy in that area.

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[1] Source: Department of State, Central Files, 751G.00/4-2255. Top Secret. This letter and its attachments are also printed in *United States–Vietnam Relations, 1945–1967*, Book 10, pp. 923–936.

An analysis of the problems has been made by my staff in the attached staff study. I think it is an excellent study and I highly recommend you and your staff read it.

While I realize these problems have no easy solution, to me the basic issues are quite clear. I believe there are three major areas of weakness in South Vietnam as follows:

a. The need for a solution of the problem of how we can achieve our ends in South Vietnam and yet live with the French.

b. The need for a solution of how we can achieve internal order with particular reference to the sects, the lack of internal communications, and the lack of strength in the central government. (During my recent trip I conferred with Diem at which time he stated that if his government could become strong he felt the people would rally to it, and that at present Ho Chi Minh offered the only strong rallying point to the people of South Vietnam.)

c. The need for a solution of how we can achieve a suitable government of South Vietnam, with particular reference to its relationship to Bao Dai, the broadening of its base, and the participation of capable people within the government. (I feel that in the past we have made a mistake in building the government upon one man.)

In view of the probable nature of the problems to be discussed with General Collins during his visit, I consider that this information may be of value to you.

Sincerely yours,

H. Struve Hensel[2]

[Attachment]

PROGRAMS FOR THE IMPLEMENTATION OF U.S. POLICY TOWARDS SOUTH VIET-NAM

Problem:

To re-examine current implementation of U.S. policy pertaining to South Viet-Nam in light of current events related to that area.

Discussion:

Tab A.[3]

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[2] Printed from a copy which bears this typed signature and an indication that it was signed.

[3] Tab A was a 10-page study. For text, see *United States–Vietnam Relations, 1945–1967*, Book 10, pp. 927–936.

Conclusions:

1. Interim or delaying actions in South Viet-Nam should be accompanied by development of a favorable situation in the remainder of the Far East in general and in Southeast Asia in particular as pertains to Cambodia, Laos, and Thailand.

2. The successful accomplishment of U.S. programs for South Viet-Nam cannot be assured through French implementation of such programs as the French will only accept the concept of these programs insofar as they further French policy in the area.

3. The influence of Bao Dai in his position as Chief of State is a constant menace to the successful implementation of U.S. programs in South Viet-Nam.

4. Alternatives to the Diem Government should be given adequate consideration in the event the U.S. cannot longer reasonably support Diem.

5. A strong, stable, viable government cannot be developed in South Viet-Nam until a reasonable solution to the problem of the Sects has been determined.

6. The Viet-Minh are capable, even without resorting to overt aggression, of preventing the total accomplishment of U.S. objectives in South Viet-Nam.

7. The military defense of Viet-Nam would be extremely difficult if not impossible should: The FEC withdraw from South Viet-Nam and no other forces be immediately available to fill the vacuum; the Viet-Minh then overtly intervene; and no U.S. ground forces be included in "other" forces ultimately used to fill the vacuum.

8. The loss of Viet-Nam and subsequent political developments would render the military defense of the remainder of Southeast Asia extremely difficult, if not impossible.

9. It is questionable that South Viet-Nam could at this time win an election pertaining to the unification of Viet-Nam.

Recommendations:

1. Direct U.S. military aid and support programs at the rapid and efficient development of indigenous forces, particularly Thailand and Cambodia. Any U.S. military aid program in the latter should be contingent upon U.S. control of the organization and training of Cambodian forces.

2. Obtain a firm statement of French policy relating to Viet-Nam; inform the French that the U.S. will expect complete French support in the implementation of U.S. programs in South Viet-Nam.

3. Obtain from the Department of State an immediate and practical solution to the problem of Bao Dai. (From a Defense point of

view, he should be a figurehead only, with a minimum amount of control over the Viet-Nam Government.)

4. Accept General Collins' recommendations on alternatives to the current Vietnamese Government but make certain that the problem of the Sects is also considered concurrently.

5. Regardless of whether Diem or alternative government is in power, it should be understood that the Binh Xuyen will immediately be stripped of all power and subjugated to the National Government; that the government will include representation from the other Sects; and that these other Sects will eventually be completely subjugated to the National Government.

6. In re-evaluating current or establishing new U.S. objectives in South Viet-Nam insure adequate consideration of Viet-Minh capabilities rather than possible intentions.

7. Determine U.S. military action within the scope of the SEACDT in order to prevent the loss of the remainder of Southeast Asia as a result of the loss of South Viet-Nam.

8. Make every effort to abolish or postpone indefinitely the elections proposed for Viet-Nam, under the Geneva Accords, for July 1956.

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132. Memorandum From the Deputy Assistant Secretary of State for Far Eastern Affairs (Sebald) to the Secretary of State[1]

Washington, April 23, 1955.

SUBJECT

Report on Vietnamese Political Situation.

I. General Collins' Report

A. During two long meetings in the Department Friday,[2] General Collins vigorously reiterated his view that no solution in Viet-Nam is possible as long as Diem remains in office. He tried to convince Diem to accept a compromise solution but he says Diem stubbornly refused to consider it. General Collins emphasized that Diem's inability to govern successfully was not due to lack of Ely's support but to Diem's major incapacities to organize a following, handle men, delegate responsibility, concentrate on essential matters and come up with ideas and suggestions. Gen. Collins believes that Diem has no organized support and very little personal popularity except perhaps in Central Viet-Nam. While he acknowledges the many other factors in this situation, Gen. Collins forcefully repeated his conclusion that some new arrangement is urgently required. He inclines to Dr. Quat as successor which Bao Dai has now formally proposed to us and probably the French (Para II A). The meetings Friday only began to explore various solutions and major procedural problems. No tentative recommendations were made.

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[1] Source: Department of State, Central Files, 751G.00/4–2355. Top Secret. Drafted by Young.

[2] April 22; another account of these meetings is printed *infra*.

While he has not fully agreed with Ely's estimate that a major military crisis might break out at any time, Gen. Collins feels that the Saigon situation is tense enough that it could ignite quickly at any time. Gen. Collins added two new interesting sidelights on his picture of the situation:

1) He said Diem's brother, the Bishop, recently admitted to him the disproportionate influence of the other brothers on Diem, and the Bishop's inability to dissuade Diem from listening to them almost exclusively. Gen. Collins confirmed that there is widespread bitter opposition to Diem because of his reliance on his brothers, other than the Bishop;

2) Gen. Collins said that Gen. Ely and the French have not denied the Vietnamese National Army ammunition or gasoline either on the night of March 28 or 29 when the Binh Xuyen attacked, or since. There has been a standing French offer to turn over additional ammunition depots to the Vietnamese army which it has so far not answered. While the French officers did try to stop the outbreak of fighting that night, it was to prevent the outbreak of civil war which Ely is convinced will occur if the national army drives the Binh Xuyen out of Saigon, which it can do.

B. At lunch with the President Friday noon, Gen. Collins made a general report along the above lines.[3] The President reportedly emphasized the difficulties with respect to Congressional and public opinion in making any change in Saigon.

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[3] In a brief memorandum of April 23 to Secretary Dulles concerning this meeting Hoover reported:

"The presentation by General Collins closely followed discussions which he was having on the same date with members of the staff of the Department, which are being reported to you separately. I will therefore not outline them in this memorandum.

"No decisions were made and the entire matter is being held in abeyance pending further consideration by the Department, and your return." (Department of State, Central Files, 751G.00/4–2355)

A memorandum of the Eisenhower–Collins meeting by Dillon Anderson, dated April 22, is in Eisenhower Library, NSC Staff Records, Disaster File, Vietnam.

II. Various Suggestions for Meeting Saigon Political Crisis

A. *Bao Dai's Plan:* In a telegram from Paris April 21,[4] Bao Dai has proposed to us through a spokesman that Dr. Quat be asked immediately to form a new government in conjunction with a new "Council of National Union", both to be under the legal authority of Bao Dai. The sects could be in the new Council but not in the cabinet which would include about twelve "technicians" acceptable to all factions, anti-Communists and competent for their jobs. The Council would have eighteen or twenty members representing all Vietnamese factions and groups except the Communists. Both Cabinet and Council would have real powers. Bao Dai would serve as arbitrator in any disputes between them. However, the Council would serve only until a National Assembly is established. Bao Dai is reported to have "settled on" this plan because he is convinced no solution is possible unless Diem is removed at least temporarily and replaced as Prime Minister. He believes Diem's plan of a provisional government and national election is "madness". The U.S. must take no visible role in implementing his plan but he wants U.S. agreement to it in principle. He is prepared to make a formal commitment to us that he can put it into effect quickly. He will stake his personal prestige in assuring that the sects will agree (1) to incorporation of *all* their forces into the national army, and (2) not to take part in the Cabinet but only in the Council. After securing this agreement from them, Bao Dai assures us he will obtain Binh Xuyen agreement to give up control of the national police force. Bao Dai believes Quat is the best qualified candidate to receive "passive" French-U.S. and "active" Vietnamese support to form a government of national union. He wants general U.S.-French approval for this plan but then both countries must withdraw from active role in forming the new government and influencing its daily activities. If U.S. insists on continuing with Diem and rejects his plan, he will no longer take any responsibility for events in Viet-Nam. He will do nothing further until he receives our reply. He emphasized need for prompt action.

General Collins suggests we use this plan as a basis, although he recommends, among other things, the Council be advisory. Our discussions with him pointed up the danger that this plan would appear to be "made in France".[5] In our meetings Friday we had just begun to explore whether any such plan might be made to look more "Saigon-originated".

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[4] Telegram 4576 from Paris, April 21, reported telegraphically the information in Document 129. (Department of State, Central Files, 751G.00/4–2155)

[5] This was Kidder's assessment as reported in telegram 4780 from Saigon, April 24. (*Ibid.*, 751G.00/4–2455)

B. *Diem's New Proposals:* In his radio broadcast of April 23,[6] Saigon, Diem proposed a national referendum on four major political questions, general elections in three or four months, and immediate negotiations with the sect leaders whom he asked to meet with him. He has offered them financial assistance and integration into the national army. There has been no reaction to this as of Saturday[7] afternoon.

C. *UK Ambassador's Views:* On April 22, Ambassador Stephenson in Saigon told our Chargé Diem must go and that Diem's intransigent turn-down of compromise proposals makes it impossible to change the government without going to Bao Dai.[8] His selection of a new Prime Minister would attach to a new man "the Bao Dai stigma". To avoid this Stevenson suggests Bao Dai name a new Premier to head an interim government pending elections of a national assembly which would then choose and submit to Bao Dai the name of a new prime minister.

Comment: This is similar to the suggestion Department has been making and Collins was exploring in Saigon before he returned, except that Diem would remain as interim head, pending a provisional assembly in early June. That arrangement with Diem may have become impracticable.

III. Steps to be taken

We are preparing briefing papers[9] for discussions with you Monday and Tuesday on the following major questions:

A. What should we say to Diem, if anything, before and if we decide on assenting to some new arrangement? Perhaps it would be the decent thing to do to have the U.S. Government tell Diem of the impasse that has been reached and of the necessity for the U.S. to look for some new arrangement, before we withdraw our support completely from him. This could be done by a message for Kidder to deliver orally, by a personal note from you to Diem, or, if there were time, for Collins to deliver in person on his return.

B. What reply should be made to Bao Dai and when? This is a difficult answer because it involves the entire picture of whether, on what terms and conditions, and when a new political composition should be attempted in Saigon through his auspices.

C. Is Quat the best available replacement for Diem and to what extent should the U.S. engage itself in Quat's candidacy?

D. To what extent should and can Diem be kept on the scene in some new role, such as chairman of the National Council with some major responsibility such as supervising the Free Vietnamese handling of consultations with the Viet Minh on the election problem, or giving special attention to the refugees, most of whom are Catholics.

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[6] According to telegram 4773 from Saigon, April 24, the text of this broadcast was transmitted to Washington as FBIS B–232346. (*Ibid.*, 751G.00/4–2455)

[7] April 23.

[8] As reported in telegram 4770 from Saigon, April 22. (Department of State, Central Files, 751G.00/4–2255)

[9] Not found in Department of State files.

E. Will it be possible to solve the possible dilemma that a Bao Dai formula will seem to be foreign-inspired and unacceptable to that extent, while on the other hand the leading personalities in Saigon appear increasingly unable to compose their differences and come up with any formula on their own? This may mean that we will have to do a lot behind the scene to put the pieces together if that is possible. There is increasing mention in our telegrams that the Viet Minh may be playing a more active role as instigator and exploiter of the situation.

F. What role should Bao Dai play?

IV. Gen. Collins' Appointments

He is scheduled to have lunch with you Monday noon. Mr. Allen Dulles is free to see him Monday morning or later Monday afternoon. Mr. Morton has tentatively set up appointments with Senator Mansfield and Senator Fulbright and others on the Hill for Tuesday.

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133. Memorandum From the Deputy Assistant Secretary of Defense, International Security Affairs (Davis) to the Assistant Secretary of Defense, International Security Affairs (Hensel)[1]

Washington, April 25, 1955.

SUBJECT

Department of State Debriefing of General Collins

General Collins was debriefed by Department of State representatives, commencing at 1000 Friday, 22 April. Also present at this debriefing were representatives of Defense, FOA, CIA, USIA, and Treasury.

The problems discussed were primarily political in nature and the objective of the discussion was to arrive at a solution to the current governmental situation in South Viet-Nam. However, two problems of interest to the Department of Defense—financial support of the French Expeditionary Corps (FEC) and integration of Sect forces into the Vietnamese National Army—were also discussed.

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[1] Source: *United States–Vietnam Relations, 1945–1967*, Book 10, pp. 937–940.

In the political phase of the discussion, the various proposals which have been made during recent weeks were analyzed and the following points are considered to be of interest:

a. General Collins stated that:

(1) In his opinion it would be a major error in judgement to continue to support a man (Diem) who has demonstrated such a marked inability to understand the political, economic and military problems associated with Viet-Nam.

(2) Diem is currently governing by himself, based on the advice of his brothers and a few close friends (Ministers of Justice, Finance, and Information).

(3) Diem simply cannot get along with other capable men.

(4) Diem, in five months, has not had one original constructive suggestion, idea, or plan. Generals Collins and Ely have been responsible for any of these which appeared to originate with Diem.

(5) Doctor Quat and former Foreign Minister Do are the most able men available in South Viet-Nam.

(6) General elections in South Viet-Nam are not possible and the best form of government for this country would be a constitutional monarchy. The Vietnamese are not, and will not be in the immediate future, ready for a republican form of government.

(7) Various plans which have been proposed for interim forms of governments, such as provisional or constituent assemblies, and including the plan of Thoai (Minister for Planning and Reconstruction)[2] which was considered worthy of further study, are doomed to defeat as Diem will not accept such recommendations.

(8) "Diem has been informed by me that I don't see how anyone can save his government and that I think that Bao Dai will remove him."

b. In elaborating further on the situation in South Viet-Nam General Collins stated that the Bao Dai plan (Embtel Paris 4576[3]) attached as Tab A is worthy of consideration and recommends that the U.S. concur in its implementation. Based on this statement, Mr. Murphy, State, commented that for a time it appeared that Diem was developing successfully according to General Collins' reports but that General Collins had now reversed his position. In response, General Collins stated that he had never indicated that Diem was indispensable. General Collins further stated that this was the best we could hope to obtain as pertains to a Vietnamese-conceived plan and that practically any plan was going to be saddled, propaganda-wise, with the stigma of French or U.S. conception.

c. In a further discussion between Mr. Murphy and General Collins the problem of the fighting between the Sects and the National Army was developed and General Collins stated:

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[2] Nguyen Van Thoai.

[3] See footnote 4, *supra*.

(1) The U.S. is just now beginning to train the Vietnamese National Army and a senior Vietnamese Army officer stated that they had no desire to fight other Vietnamese (Sects).

(2) Ty (Army Chief of Staff) told General Ely he would not order an attack on the Sects.

(3) The French will not, except to protect their own people, use French troops against the Sects. Their primary mission is one of external security.

(4) The bitter feud between Bay Vien and Diem originated in Diem's closing of the "Grande Monde".

(5) Practically all Vietnamese now disagree with Diem.

(6) Some compromise will be necessary on the part of Diem's replacement.

(7) The Binh Xuyen are not in a strong military position.

(8) Bay Vien and the Sects will accept the concept of Bao Dai's plan.

(9) Bay Vien will surrender the control of the police if ordered to do so by Bao Dai and if Diem is replaced.

(10) Although an effort must be made to give Bay Vien an opportunity to save face, the Binh Xuyen must be stripped of their power.

(11) Based on the above, General Collins considered that there were only two solutions to this problem—acceptance of the proposal of Bao Dai, or for Bao Dai to return and assume the Premiership. General Collins did not consider the latter as a desirable solution.

d. In response to a question, General Collins stated that the current situation in South Viet-Nam was definitely not engineered by the French. He further stated that General Ely has given Diem unequivocal support. However, he could not speak for French support from Paris. General Collins emphasized that civil war could break out at any moment and that either side could be responsible.

e. General Collins stated that the U.S. has a moral obligation in relation to the 500,000 Vietnamese refugees and that it would be difficult for the U.S. to withdraw from Viet-Nam.

f. In reference to the Sainteny mission, General Collins stated that General Ely has threatened to resign over this issue. He indicated that the French business people have not adjusted to the concept of a Free Viet-Nam. He thought that the French would just as soon see an indefinite partition of Viet-Nam but that the U.S. should force the issue of French support for a legally constituted Vietnamese Government.

With reference to the two problems primarily of military interest, General Collins stated that:

a. We should not provide one nickel more than the 100 million dollars currently available for support of the FEC. They might reduce their forces but would not withdraw.

b. The current dispositions of the FEC are sound.

c. The FEC is a strong, stabilizing influence in South Viet-Nam.

d. Implementation of Article IV of the Manila Pact would require ground forces to stabilize the front and give the U.S. Air and Navy forces something to shoot at.

e. Air and Naval forces will *not* alone result in a victory in this area in the event of overt aggression.

f. Integration of Sect forces as he has proposed (DA IN 130977) (Tab B)[4] has now been agreed to by the French.

g. This integration will now cost approximately 40 million dollars rather than the 26 million as previously stated.

h. This plan for integration will eventually provide for a reduction in Sect power.

In summary, General Collins is firmly convinced that it will be to the detriment of U.S. interests to continue to support Diem. However, State is reluctant to face the fact that they must admit a failure in U.S. policy and obviously will attempt to retain Diem in the Government in some capacity.

A.C. Davis
Vice Admiral, U.S. Navy

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[4] Not printed.

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134. Memorandum Prepared in the Department of State[1]

Washington, April 25, 1955.

VIET-NAM

a) Risks of some outbreak of civil war in South Viet-Nam still great and impose need for very urgent action.

b) Root of trouble is that Diem's prolonged attempt to run a one-man government has destroyed his chances of ever securing the collaboration of other prominent Vietnamese personalities. There has been a steady build-up of intellectual opinion against him. He has got nowhere with his own efforts to form a government worth anything.

c) Public opinion in Great Britain, as elsewhere, is unlikely to view intervention by Bao Dai with any enthusiasm.

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[1] Source: Collins Papers, Vietnam File, Series VII, S. Secret. The document bears the marginal notation "File—Sturm". Sturm accompanied Collins to Washington. Another marginal notation indicates that at least 11 copies of this memorandum were prepared.

d) But Bao Dai represents the only constitutional method of dealing with the situation (cf. appeals from the Sects, senior army officers and even Do, which show that Vietnamese themselves recognize this).

e) Therefore, given this constitutional position and urgency, there seems no alternative to an intervention by Bao Dai. He is needed as a catalyst.

2. Therefore . . .[2]

a) An immediate approach should be made to Bao Dai asking him to take the initiative in bringing about a solution.

b) Bao Dai should not be encouraged to return in person to Viet-Nam (he probably does not wish to at present).

c) In tackling Bao Dai, care must be taken to avoid the imputation of foreign pressure.

3. a) The type of solution which should be sought is the setting up of a temporary government with or without Diem, pending the establishment of a national assembly.

b) Even by using Bao Dai, it might prove impossible to get the other parties and intellectual personalities to accept Diem, even as a temporary measure. This possibility must be faced. Their acceptance might be obtained if solid guarantees were given that the government to be formed would be of strictly limited duration.

c) If Diem fails, this must appear as being due to his political isolation and not represented as a victory for the Sects or French opinion.

d) If it can possibly be achieved, the request for Bao Dai's intervention should be agreed upon by the Vietnamese in Saigon and put to him by the parties from there. If this cannot be achieved, it might prove necessary for a meeting to take place in France.

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[2] Ellipsis in the source text.

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135. Memorandum From Frank Valeo to Senator Mike Mansfield[1]

Washington, April 25, 1955.

SUBJECT

Conversation Today with Wesley Fishel

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[1] Source: University of Montana, Mansfield Papers, Series XXII, Box 107, Vietnam. Frank Valeo was Senator Mansfield's Legislative Assistant.

Fishel said that he had received a long cable from Diem the day before yesterday which was surprisingly optimistic. In the cable he said (1) he was proclaiming his general election three months from now; (2) there is clear evidence that the Binh Xuyen are losing ground daily. He said that there have been over a thousand defections with arms from that group and over a hundred from the Hoa Hao. The latter has been badly split and pay for the men was now only 45 piasters a month, whereas previously they had been getting 350 a month; (3) the National Army has extremely high morale, even fanatical, and he is confident that the Army will follow him against the Binh Xuyen and against Ba Cut.

Fishel believes that the latest difficulty is unquestionably related to the change of government in Paris and that the principal cause of trouble is with our ally France, no question of that. They are determined to get Diem out. Collins, he says, is half-way on their side at the moment.

Fishel thought it highly important that you talk to a Vietnamese who has just arrived in this country from Paris, Vo Lang. He will be in Washington tomorrow and is leaving on Wednesday. Vo Lang is Director of Cabinet for Diem's brother who is Ambassador in Paris,[2] and in Fishel's opinion, very competent and reliable.

Fishel thought that Diem's brother's wife who has gotten in the news recently has no influence at all on Diem. She is very vivacious and a fanatic nationalist, but doesn't influence him one bit. However, Fishel thinks one of Diem's brothers is seen too much by Diem. While that brother's influence is only partial, Diem is listening to him more than he should, and he is a defeatist.

Fishel thinks Diem will make it if he has American support. He thought your recent remarks[3] were very timely and good.[4]

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[2] Probably a reference to Ngo Dinh Luyen, then an Ambassador at Large.

[3] According to *The New York Times* of April 22, Mansfield was "on record as urging the total suspension of United States aid to South Vietnam if its Premier is overthrown."

[4] The following note appears at the bottom of the source text: "I had a second call from Fishel on the 26th re possible talk with Vo Lang. He will be in Washington on the 27th and will call."

136. Memorandum of a Telephone Conversation Between the Director of the Office of Philippine and Southeast Asian Affairs (Young) and the First Secretary of Embassy in France (Gibson), April 26, 1955[1]

SUBJECT

Telephone Call from Paris on Bao Dai's View

Bill Gibson telephoned me at 4:00 p.m. to say that they had delivered the Department's message[2] to Nguyen De this morning requesting Bao Dai not to take any action pending General Collins' return.[3] The Ambassador decided not to send someone to Cannes. Nguyen De telephoned the message to Bao Dai. Bao Dai's reaction was completely unfavorable. He appreciated our feelings but told Nguyen De that the situation is becoming so desperate that he must take action by tomorrow evening, that is Wednesday evening Paris time. Bill Gibson indicated he felt Bao Dai is worried about his own situation in letting affairs move on without taking the initiative himself.

The Ambassador talked very strongly to Nguyen De who decided to go to Cannes immediately. The argument that General Collins is returning to Saigon and that we have a very great interest in this affair seemed the strongest point with Nguyen De and Bao Dai. Bill Gibson says that Bao Dai may come around and hold off. Nguyen De will give Bao Dai's reconsideration and his answer to the Embassy Wednesday morning Paris time.

Bill wanted to know when we might have some instructions to Paris.[4] I said fairly soon, but urged him not to mention any particular day this week to the Vietnamese or to the French. I also told him General Collins was at this moment meeting with Congressional leaders.

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[1] Source: Department of State, Central Files, 751G.00/4–2655. Secret. Drafted by Young in Washington.

[2] Transmitted in telegram 3803 to Paris, April 25. (*Ibid.*, 751G.00/4–2555)

[3] A more detailed account of this Gibson-Nguyen De discussion is in telegram 4659 from Paris, April 26. (*Ibid.*, 751G.00/4–2655)

[4] Document 140.

137. Memorandum of a Telephone Conversation Between the Secretary of State and the Deputy Assistant Secretary of State for Far Eastern Affairs (Sebald), Washington, April 26, 1955, 6:57 p.m.[1]

The Sec. asked if we have this paper re what we are going to do in Vietnam. S said they have a 2nd draft.[2] The Sec. said he does not want to see it now—but just wondered—it looks as though things are getting critical fast and don't know how much time we have. S. said they have it worked out—just a question of tactics—how we make the approach. The Sec. said let's try to get something worked out as soon as possible. S. said they would like to get to the Sec. as early as possible in the a.m.

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[1] Source: Eisenhower Library, Dulles Papers, General Telephone Conversations. Transcribed by Phyllis D. Bernau, Dulles' secretary.

[2] Apparent reference to a draft of the memorandum from Sebald to Dulles, *infra*.

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138. Memorandum From the Deputy Assistant Secretary of State for Far Eastern Affairs (Sebald) to the Secretary of State[1]

Washington, April 27, 1955.

SUBJECT

Viet-Nam Situation, Noon, April 27, 1955

1. The situation remains very tense in Saigon with both the Binh Xuyen and the Army alerted and prepared. The truce is presumed to continue to May 1. All elements sense that the situation is approaching some new turn. Bao Dai has told us he intends to take action not later than Thursday, April 28, to remove Diem and appoint a new Prime Minister, but so far we have urged him to wait.

2. Diem appears determined to hold out. He has issued a decree relieving the Binh Xuyen police chief and installing his own man as successor.[2] However, he has made no move to seize the National

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[1] Source: Department of State, S/P–NSC Files: Lot 62 D 1, NSC 5519 Series. Secret. Drafted by Young in response to a memorandum by Sturgill of S/S to FE, April 25, attached to the source text, in which Sturgill requested a one-page briefing memorandum for use by Dulles in preparation for the NSC meeting on April 28.

[2] According to telegram 4844 from Saigon, April 27, Diem's office issued a communiqué on April 26 replacing Lai Van Sang, Director General of National Police and Sûreté, with Colonel Nguyen Ngoc Le. Telegram 4844 also reported that Sang declared

Continued

Police Building, where the Binh Xuyen continue to operate. So far there has been no overt Binh Xuyen reaction. Although Diem appears to be operating a one-man government and his government programs are at a standstill, there have been some very recent slight indications that certain elements of importance in the local political scene are tending to move away from the "united front" of the sects and to Diem. Presumably, United States delay in acceding to a removal of Diem may be having some effect in the latter's favor. Nevertheless, his political position seems to deteriorate steadily.

3. The French continue, both in Paris and in Saigon, to favor the removal of Diem as soon as possible. However, they are apparently unwilling to indicate a choice for a successor without prior consultation with us. They may wish to defer decisions on a successor to joint Ely–Collins recommendation. There are some indications that an increasingly influential French element now considers the Sainteny policy in the North to have been a failure, and this element may be gradual, more amenable, to the objectives of building a strong government in the South and delaying the 1956 elections as long as possible.

4. Our present course of action in outgoing telegrams is (a) accept General Collins estimate Diem cannot be supported any longer (b) new government would have fair prospects and chance is worth taking (c) obtain assurances from French, and (d) authorize Collins with Ely help resolve political crisis.

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over United Front radio on the evening of April 26 that he would stay on at his post since he could only be removed by Bao Dai. (*Ibid.*, Central Files, 751G.00/4–2755)

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139. Memorandum for the Record[1]

Washington, April 27, 1955.

SUMMARY OF REMARKS OF GENERAL LAWTON COLLINS

General Collins reviewed the situation in south Viet Nam. He said that after months of attempting to work with Ngo Dinh Diem he had reached the conclusion that the Premier did not have the executive ability to handle "strong-willed men", that he concerns himself with minor matter[s] and has not originated a single constructive idea since he came to power. Able men in the cabinet had been alienated by Diem's habit of going over their heads, according to General Collins, and he paid little attention to their views, preferring instead to rely on two brothers and a number of "yes men"[.]

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[1] Source: University of Montana Library, Mansfield Papers, Series XXII, Box 107, Vietnam. The source text bears no indication of authorship or occasion.

There was no question according to Collins of Diem's honesty, anti-communism and anti-colonialism, but he is so completely uncompromising, acetic [*ascetic*] and monastic that he cannot deal with realities like the Binh Xuyen and the Cao Dai. Diem has incurred the undying enmity of Bay Vien for the manner in which he closed the gambling houses in Saigon.

Between Ely and himself, General Collins believes there is a chance to rescue the situation. It requires an able Premier, not in any way identified with the French, and absolute pledges from the French that they will go along positively with independence. They have not always done that in the past. This added to Diem's many other problems but according to General Collins has not been the decisive difficulty. Collins believes there are able modern-minded men like Quat who could sit around the table and talk with any of us, talk our language, or Tran Van Do who could handle the job of premier.

The General expressed the belief that Bao Dai should neither be brought back to Saigon at this time or eliminated from the picture entirely. He stretched his background and indicated that he was the thread of legitimacy. In the General's view, a political solution in the area called for a constitutional monarch.

Collins thought there was not the slightest possibility of an invasion by the Viet Minh at this time. According to reports, they are having serious difficulties in the north due to a poor rice crop which has brought a threat of large-scale famine, and because the people have had an opportunity to see how they operate. They have levied a confiscatory tax which has fallen heavily on the Indian merchants in the north with the result that prices are rising rapidly. Sainteny has not been able to get a single contract from the Viet Minh.

The Chinese are aiding the Viet Minh. Technicians are now manning the Hanoi airport and they have restored one railroad to the Chinese border.

140. Telegram From the Secretary of State to the Embassy in France[1]

Washington, April 27, 1955—6:10 p.m.

3828. For Ambassador.

1. FYI only: After full consultations here with General Collins it appears that some change in political arrangements in Viet-Nam may be inevitable. However, our general position remains that we continue support legal government under Prime Minister Diem until Vietnamese nationalist elements evolve another formula warranting continued U.S. assistance and support. If this becomes impossible, U.S. will have to reconsider its policy in Viet-Nam.

2. Immediate and urgent next step is to determine fundamental French policies, and if possible develop U.S.-French concert of views before approaching Bao Dai and Vietnamese in Saigon. Essential purpose is to obtain unequivocal French assurances for full backing any new political arrangements in Saigon. Therefore we wish you would immediately see Prime Minister and Foreign Minister to give them orally the points outlined in paragraph 7 and obtain their views and oral assurances of concurrence.

3. We feel very strongly we should obtain adequate French assurances because of evident past lack of coordination between Ely's view in Saigon and French view in Paris, and because of Congressional anxiety and concern revealed in Collins' consultations with leaders this week. They will be perturbed over possible replacement of Diem, repercussions in Viet-Nam, and implications of French policy in North and South Viet-Nam. Unless we can give Congressional leaders some assurances on French intentions, there is bound to be difficulty in getting Congressional support for continued aid for FEC and Viet-Nam.

4. Part of the cause for failure of Diem has been absence of whole-hearted French action to carry out paragraph 4 of September 29, 1954, minute of understanding.[2] Ambiguities of French policy

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[1] Source: Department of State, Central Files, 751G.00/4–2755. Top Secret; Niact; Limit Distribution. Drafted by Young; cleared by Bowie, Tyler, Collins, Murphy, Sebald, and MacArthur; and signed by Dulles. Repeated for information priority to Saigon.

[2] Paragraph 4 of the minute of understanding agreed to during conversations between Acting Secretary Walter Bedell Smith, Guy La Chambre, then Minister of Associated States, and Edgar Faure, then Finance Minister, September 27–29, 1954, reads as follows:

"With respect to Vietnam, representatives of France and United States agree their respective governments support M. Ngo Dinh Diem in establishment and maintenance of a strong, anti-Communist and nationalist government. To this end France and the United States will urge all anti-Communist elements in Vietnam cooperate fully with

Continued

vis-à-vis north and south have impeded effective political development in Free Viet-Nam. Unless these are removed and basic French intentions toward support for Viet-Nam are clear, any Vietnamese Government will not be successful and U.S. support will have to be reexamined. We desire Embassy make these views clear to French and make every attempt to secure frank and full statement of French intentions in Viet-Nam, north and south.

5. In presenting the points contained below you should point out orally to the French that, with respect to the continuation of the delegation general in Hanoi, we would hope that Sainteny would not return to Hanoi following the final evacuation of French forces from Haiphong in May. Sainteny, rightly or wrongly, has become symbol of "double-dealing". Any residual French delegation in Hanoi should be proportionate to the remaining French interests there and perhaps serve in a consular capacity.

6. We prefer you receive acceptable French reactions to paragraph seven before giving them our views on questions regarding the character and procedures of a new government. They are transmitted in subsequent telegram. End FYI.

7. We have carefully studied the French aide-mémoire of April 17, 1955, containing the French response to the questions posed by the United States Government with respect to the political situation in Free Viet-Nam.[3] Before proceeding to take up specific questions of procedure and personalities, we would appreciate clarification of certain aspects of French policy toward Indochina. This is of fundamental importance, since it now appears that it may be difficult to secure continued Congressional support for large-scale financial assistance to the French Expeditionary Corps and Viet-Nam unless certain apparent ambiguities are removed.

A. Accordingly, we believe the following are basic desiderata and we would appreciate Faure's agreement to them:

> 1) The desirability of continuing to assist in developing and strengthening Free Viet-Nam following the principles of the Franco-American Minute of Understanding of September 29, 1954. The question of personalities is to be dealt with separately;
>
> 2) The desirability of giving full moral and political support to the established and recognized Government of Viet-Nam in maintaining its authority and exercising legitimate functions of upholding law and order; and

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Government of Ngo Dinh Diem in order counter vigorously the Viet Minh and build a strong free Vietnam."

For complete text of the minute, see Tosec 8, September 30, 1954, *Foreign Relations*, 1952–1954, vol. XIII, Part 2, p. 2100.

[3] See Documents 117 and 122.

3) The desirability of limiting French representation in North Viet-Nam to the extent necessary to represent residual French interests following the withdrawal of French forces from the Haiphong area in May 1955.

B. If the French agree to the above, we are prepared to discuss possible steps to seek to resolve the political crises in Free Viet-Nam. In our view the establishment of any new Vietnamese government should be subject to the following considerations:

1) It should have recognized administrative and political capabilities and unquestionable nationalist orientation.

2) Any new Vietnamese government would be provisional in character until a fully elected national assembly is constituted.

3) It should so far as practicable result from a genuinely Vietnamese nationalist initiative not bearing the stamp "made in Cannes, Paris or Washington".

4) Police power must be transferred to the central government and the allegiance of the sects to the new cabinet assured.

5) Bao Dai should participate in the establishment of any new government to the extent of bringing the Binh Xuyen into line, designating a generally-accepted person as Prime Minister with full powers.

6) The seven-point reform program developed by the Diem government with the assistance of Ely and Collins must be energetically carried out.

7) Full support must be given to a program for the integration of the sects and the Binh Xuyen into the modern life of Viet-Nam.

8) An effort must be made to find some important and useful role for Diem in order to utilize his political assets and good qualities, and both Governments should urge him to accept some new participation to further the cause of Free Viet-Nam. His refusal however would not hold up subsequent procedures.

We would appreciate confirmation French authorities accept the points in this understanding.

8. Embassy Saigon inform General Ely of full paragraph 7 above.

Dulles

141. Telegram From the Secretary of State to the Embassy in France[1]

Washington, April 27, 1955—6:11 p.m.

3829. For the Ambassador. If the French agree to para. 7 Deptel 4756,[2] then you may give them orally the following views on procedures and a new government. Our views are based on consultations with General Collins, a careful study of the French aide-mémoire of April 17, 1955, Bao Dai's proposals, and the views of various Vietnamese in Saigon.

A. Our tentative proposals on procedures are as follows:

1) The U.S. will have to maintain position of full support for Diem until and unless Vietnamese leaders develop alternate proposal which Bao Dai would support.

2) Bao Dai should be informed by both governments that before we would consider support for any change he must guarantee that he will confirm Prime Minister's authority over police officials, the Binh Xuyen will be removed from police functions, and sûreté, and that the sects will agree to a broad program of their integration into the national life of Vietnam on the basis of "a single nation, a single state, a single army, and a single administration". Such decree by Bao Dai must be in process before Diem leaves and new Prime Minister installed, to prevent clear Binh Xuyen "victory" over Diem which would rise to plague successor.

3) If Bao Dai gives adequate assurances, Collins and Ely should immediately help the Vietnamese work out the new alignment, urge Diem to serve in a new capacity, if he will, and provide full support for the new government. If Diem refuses, the program should nevertheless be carried out anyway.

4) While the Vietnamese in Saigon should be the framers of a new government, Collins and Ely will probably have to be in practice the catalysts. This may result in stories regarding a new Collins–Ely "formula" but we should make every attempt to keep the Vietnamese label.

5) General Collins and Ely should inform Diem that as a result of his inability to create a broadly based coalition government, and because of Vietnamese resistance to him, their governments are no longer in positions to attempt to prevent his removal from office. Diem's patriotic qualities are of great potential value to Vietnam and it is hoped he will lend his services to any new government which might be appointed.

6) Collins and Ely together speaking for their governments may be able to elicit formula outlined sub-para 4 above from Vietnamese political leaders behind the scenes. If those leaders, including Diem if practicable, adopt such a formula, they could ask Bao Dai to counter-

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[1] Source: Department of State, Central Files, 751G.00/4–2755. Top Secret; Priority; Limit Distribution. Drafted by Young and cleared with Murphy, MacArthur, Collins, Tyler, Sebald, and Bowie; signed by Dulles. Sent also niact to Saigon. Printed also in *United States–Vietnam Relations, 1945–1967*, Book 10, pp. 941–944.

[2] Printed as telegram 3828 to Paris, *supra*.

sign it. If the Vietnamese consulted cannot agree among themselves on a candidate, then Ely and Collins will have to recommend a name for Bao Dai to designate to form a new government under the proper terms and conditions.

B. Our tentative proposals on a new government are as follows:

1) Cabinet: The executive authority of full powers with Do or Quat as president and vice president, respectively, composed of small nucleus of most able nationalist leaders. It would be highly desirable if the cabinet itself could include some from Diem's cabinet and some new faces. It would operate as an interim coalition government until a fully elected National Assembly is constituted. The immediate tasks of the new cabinet would be (a) resolution of sect problem, (b) completion of reform of the armed forces and police, (c) satisfactory resettlement of present and future refugees, (d) energetic political program in provinces, (e) more active international policy in Southeast Asia, and (f) consultation with the Viet Minh on Geneva elections in 1956 and preparations for elections and a constituent assembly in Free Viet-Nam at some time.

2) Consultative Council: An advisory body of 25–35 leading personalities and group representatives, including the sects. Diem should be persuaded if possible to accept the chairmanship of this council. Its principal function would be to generate spirit of unity and cooperation among the people and groups throughout Free Viet-Nam. At the request of the president or the cabinet, it would advise the president and cabinet on major matters of state. It should have no executive or administrative functions. It should continue until the constitution of a permanent structure of government by a constituent assembly.

3) Provisional National Assembly: This quasi-legislative body of elected and appointed candidates already envisaged and scheduled to be set up should be formed and convoked as soon as possible once a new cabinet is in office. It would review the budget and designate a special committee to draft plans for a constituent assembly.

Dulles

142. Telegram From the Secretary of State to the Embassy in France[1]

Washington, April 27, 1955—6:40 p.m.

3830. Paris 4671.[2] Embassy representative when he calls on Bao Dai 28th should tell him:

1. We are conveying our views urgently to French on 28th. We feel necessary have French assurances and cooperation to ensure success of Government of Vietnam.

2. After Embassy representative at Cannes is informed by Embassy Paris that Deptel 3828[3] has been outlined to French and that they concur, and Embassy has proceeded to transmit to French substance of Deptel 3829,[4] only then Embassy representative should convey gist of both telegrams to Bao Dai. In doing so he should omit any reference appearing to indicate a minimizing of Bao Dai's role. Regarding steps outlined Deptel 3829 he should not refer to Quat and Do by name. Main emphasis should be on our views of government structure.

3. Inform Bao Dai Collins arriving Saigon either May 1st or 2d. We hope Bao Dai will refrain from irrevocable action until after General Collins presence Saigon permits further urgent consideration of the problem.

Dulles

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[1] Source: Department of State, Central Files, 751G.00/4-2755. Top Secret; Niact; Limit Distribution. Drafted by Hoey and cleared in substance with Dulles, Murphy, MacArthur, Bowie, and Tyler. Repeated for information niact to Saigon and niact to Nice for Gibson.

[2] In this telegram from Paris, April 27, Embassy officials reported a conversation with Bao Dai in which they convinced him, under threat of jeopardizing U.S. support of Vietnam, not to act unilaterally against Diem on April 27 as Bao Dai had previously stated he would. The Embassy staff suggested it would be helpful in their discussions with Bao Dai if they could give him some indication of the Department's present thinking on Vietnam. (*Ibid.*)

[3] Document 140.

[4] *Supra.*

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143. Editorial Note

According to first-hand reports from Saigon, skirmishing between the Vietnamese National Army (VNA) and the Binh Xuyen—similar to that which had occurred sporadically during the past few days—began at midday (Saigon time) April 28 in the Saigon–Cholon area. At 12:15 p.m. mortars fired by an unknown group landed in a nearby Binh Xuyen-controlled area wounding six or seven French soldiers guarding an electric power plant. Then at 1:15 p.m. the Binh Xuyen shelled the Presidential Palace with mortar rounds. Diem, who was in residence at the Palace, telephoned Ely and informed him that if the shelling did not stop, he would order the VNA to return fire. The shelling attack continued and Diem sent the army into action. Heavy fighting continued during the afternoon. Reports of the outbreak of fighting are in telegrams 4860 and 4881 from Saigon and telegram MC 976–55 from the United States Army Attaché in Saigon, April 28. (Department of State, Central Files, 751G.00/4–2855)

Lansdale was in close contact with Diem during the afternoon of April 28. For his account of the fighting and the immediate events surrounding it, see *In the Midst of Wars,* pages 282–291.

144. Telegram From the Secretary of State to the Embassy in France[1]

Washington, April 27, 1955—11:56 p.m.

3837. Secretary requests addressees take no action whatsoever on Deptels 3828, 3829 and 3830 to Paris[2] until further instructions. Keep circulation strictly limited to fewest.

Pending further instructions Gibson should only urge Bao Dai not take irrevocable action until we have completed urgent consideration.

Dulles

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[1] Source: Department of State, Central Files, 751G.00/4–2755. Top Secret; Niact; Limit Distribution. Drafted by Young and cleared in substance with Dulles and Hoover. Sent also niact to Saigon and niact to Nice for Gibson.

This telegram is mentioned in the memorandum of two telephone conversations, both transcribed by Phyllis Bernau of the Secretary's office. The first, at 8:38 a.m., April 28, was between the Secretary and Allen Dulles; the transcription reads as follows:

"Re Vietnam—the Sec. told Hoover to send a cable to block the cables we sent to Saigon and Paris. AWD said it looks as though the Binh Xuyen are shelling the Palace as reprisal for replacing the chief of police. AWD hopes to have it pulled together for NSC. The Sec. would not think that means we should hold up our planning. AWD said it takes us off the hook. It is better to make a change in the light of a civil war situation." (Eisenhower Library, Dulles Papers, General Telephone Conversations)

The second conversation, 9:15 a.m., also on April 28, was between the Secretary and Collins and reads as follows:

"C. returned the call and the Sec. said things seem to be heating up in Vietnam. C. said apparently so from the radio. The Sec. said after talking with the Sec., Hoover sent out a message not to act until we had further information. We should decide during the day—apparently there is a new truce. The Sec. does not know if Diem is losing control or possibly emerging a hero. There is evidence the Army responded pretty effectively and gained control of the situation. We should study reports re altering our position. C. will be at NSC at 11. The Sec. suggested he talk with Hoover and others. C. said he had an appointment with Hensel at 10. The Sec. said he does not know if we will have adequate information at hand to judge. It might be better to put off the meeting until 12. They agreed to try to make it after NSC—I'm not clear if the Sec. included himself or the mtg. he mentioned above with Hoover *et al.*" (*Ibid.*)

[2] Documents 140, 141, and 142, respectively.

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145. Editorial Note

In a telegram of April 28, 8:48 a.m. Saigon time, Edward G. Lansdale, as head of the Saigon Military Mission (SMM), sent to Washington a telegram in which he argued than the Diem government represented a better chance for success than any non-Viet Minh government it would be possible to form in South Vietnam.

Failure to support Diem would cause great damage to American prestige and would doom any successor government to Diem's to failure. The only winners would be the Viet Minh. According to the cable, new facts arising from the fighting in Saigon warranted calling a country-team meeting, and Lansdale asked for such a meeting.

In response, Washington sent a telegram, April 27, 9:49 p.m., asking for the background to Lansdale's conclusion by 8 a.m. Washington time April 28 for use at the National Security Council meeting of that date. The 13-hour difference between Washington and Saigon accounts for the receipt of Lansdale's initial telegram in local time the day before it was sent.

As requested the Saigon Military Mission sent a fuller exposition of its estimate of the present situation in South Vietnam in another telegram on April 28, 8:44 p.m. Saigon time. The Mission stated that Diem was playing for time and awaiting Ambassador Collins' return to Saigon. Establishment of a new sûreté, reshuffling the cabinet, and calling for elections was not, in the Saigon Military Mission's view, a solution to the basic security problem posed by the Binh Xuyen or the question of French support for Diem. Diem's present strategy was to allow support for the Binh Xuyen to erode and eventually collapse rather than risk an all-out military confrontation with the Binh Xuyen or a political solution with Bay Vien. While this policy conformed with the desires of Ely and Collins, Lansdale and the Saigon Military Mission did not believe it would succeed, but rather would cause continued deterioration of Diem's position.

The reasons for this pessimistic estimate were twofold: the new cabinet would be no more effective than the old and the tensions, which were building up in Saigon because of Diem's lack of initiative and forthright action, were sure to increase. According to Lansdale, Diem's basic problem was that he was not in control; he was outgunned by Ely and the French Expeditionary Corps. As a result, anti-French feelings in Saigon–Cholon and throughout Vietnam were reaching serious proportions. If Bao Dai replaced Diem, the mission foresaw the probability of serious anti-French outbreaks. Under these conditions it was unlikely that any other nationalist candidate could carry out the programs necessary for success in Vietnam.

The Saigon Military Mission outlined in this estimate three possible alternatives. Under the first, Bao Dai bending to heavy French pressure would replace Diem with a candidate more acceptable to Paris. The result would be disastrous. Under the second alternative, Diem would be forced to maintain his position as leader of Vietnamese nationalist elements by adopting an openly anti-French posture and/or sending the Vietnamese National Army against the Binh Xuyen. The third possibility had nationalist elements in Vietnam undertaking sporadic and uncontrolled action—probably violent—

against the Binh Xuyen and/or French civilian and military personnel.

The Saigon Military Mission added that if Diem were ousted from office, he planned to stay in Vietnam to head a political party to contest elections for the provisional assembly. The mission observed that if Diem became openly anti-French—as no doubt he would if forced out of power by Bao Dai and the French—he would be a powerful political factor because of his political support in central Vietnam and among northern refugees. Under this alternative, the future political climate of Vietnam would be anti-French and permeated by the Viet Minh.

Lansdale concluded with a restatement of the recommendations in his initial telegram of April 28: no nationalist aspirant for power in Vietnam had as much to offer as Diem and no pro-French leader could succeed against the Viet Minh. Any successor government to Diem's acceptable to the French would be unable to carry out the reforms essential to deny Vietnam to the Communists. As a result, United States prestige in Vietnam would seriously decrease and the United States could not be a major factor in supporting such a government, which, lacking popular support, would be forced to depend heavily upon the French. (SMM telegrams)

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146. Telegram From the Chargé in Vietnam (Kidder) to the Department of State[1]

Saigon, April 28, 1955—8 p.m.

4882. Reference: Embtel 4860, repeated Paris 784.[2]

I.

1. At 1800 hours April 28 I saw Ely who states day's episodes are what he feared would result from unresolved political situation. Without saying so directly he clearly indicated he felt a large measure of blame lies on United States for not having agreed to some political solution problem two or three weeks ago.

2. Although Ely has not gotten full reports of day's events as yet, following is his best estimate of what took place. Local incident occurred 1115 Rue Petrushky in Cholon, resulting in 20 to 30 casualties. At 1215 several mortar shells fell in Binh Xuyen area near "Y" Bridge wounding, incidentally, 6 or 7 French soldiers who guarding

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[1] Source: Department of State, Central Files, 751G.00/4–2855. Secret; Priority. Repeated for information priority to Paris.

[2] See Document 143.

electric light plant in area. Ely says he does not know who responsible for firing these shells. It might have been someone such as Mai Huun Xuan, chief Military Security, or some group wishing provoke trouble. He nevertheless holds Diem responsible as Prime Minister, and asks, with some reason, what possible advantage Bay Vien could hope derive from starting trouble at this juncture. At 1315 Binh Xuyen fired on Palace as reported reference telegram.

3. Shortly before 1400 Diem telephoned Ely to inform him that if shelling continued he would command his troops to go into action. Ely states that he warned Diem of the grave responsibility which he would be taking if he gave such an order; Ely would have no choice but hold Diem responsible for bloodshed which would result. Diem did not comment in return.

4. According to Ely, Colonel Minh,[3] Commanding Officer First Military District, ordered his troops remain on defensive but Diem went over Minh's head and ordered them into action. Whether troops actually initiated and carried out such action not clear at time of conversation with Ely.

5. In discussing Diem, whom Ely qualifies as hysterical and beyond point of reason, Ely himself verges on hysterics and becomes highly excited. Ely states that if he does not get instructions of some kind looking towards political solution of problem by April 29 he will have to inform Paris he can no longer be responsible for what may happen. He states he has already warned Paris several times and that he would, of course, remain at his post, but that responsibility for developments could no longer be placed on his shoulders.

II.

1. Ely showed me copies of two telegrams allegedly received yesterday: (a) A telegram from Nguyen De to Imperial Cabinet Sagion, in which De told addressees to tell Lai Van Sang that contrary to what he had learned, Bao Dai had taken no decision and had not given his agreement to measure concerning Sang. Telegram continued "We count on Imperial decision within very short delay to put end to the present situation in Vietnam."

(b) Telegram to Diem from Bao Dai. Bao Dai states he has received protests from Sang and from sects against Diem's action in which his attention called to serious disorders which might result very shortly from Diem's measure. Bao Dai said he had ordered sects and Sang refrain from violence and respect truce:

> "I request you (Diem) henceforth to take no measure whatsoever susceptible of counteracting the policy of appeasement which I have decided apply. No measure of this sort should be taken without your having referred to me in advance."

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[3] Duong Van Minh.

(c) Ely points out Bao Dai in his message being very cunning as he does not withdraw Diem's order replacing Sang. In this way Bao Dai can profit from fact Diem has removed Sang without at same time involving himself in responsibility therefor.

2. As incidental information, Ely informed me he had obtained copy of telegram sent to Bao Dai by Diem shortly after fighting of March 29 in which Diem told Bao Dai that he, Diem, had been responsible for stopping fighting that night in spite desire Army continue.

III.

1. Question of responsbility for day's episode obviously of great importance. We so far have no information which would enable us contradict Ely's version. Colonel Don[4] of FAVN has informed General O'Daniel that trouble started when Binh Xuyen fired on truckload of FAVN soldiers. We will look into this and other allegations as soon as possible in attempt get to bottom of matter.

Kidder

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[4] Tran Van Don.

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147. Memorandum From the Secretary of State's Deputy Special Assistant for Intelligence (Howe)[1]

[Washington, April 28, 1955.]

Ken Young reports the following.

Lansdale apparently has not been cut in on the Bao Dai plan. His directives and his reports are therefore in the context of knowing only the "support Diem" policy. He has been more recently reporting the wildfire rumor and speculation which has resulted from reports that the US may be shifting from Diem.

Late yesterday he sent a flood of reports and recommendations[2] the gist of which were that the present would be a fatal moment to get rid of Diem, that nobody but the Viet Minh could gain and he recommended that a "country team" be formed in Saigon to evaluate the situation.[3] He reported unanimity of view in this regard includ-

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[1] Source: Department of State, INR Files: Lot 58 D 776, Indochina. Secret.

[2] For a summary of two principal recommendations, see Document 145.

[3] In a telegram, April 28, 7:51 p.m. Saigon time, secret and priority, Lansdale reported that he had suggested that the country team report its recommendations separately, but that Kidder, the Acting Chief of Mission, was not keen to do so. In a tele-

Continued

ing Embassy but was ambiguous as to whether he referred to the Diem matter or to the need for a country team.

Receipt of these reports . . . meant a rapid series of telephone calls last night from Aurell to Roosevelt (acting for Wisner), to Allen Dulles, to Hoover, to the Secretary, to Ken Young. The result was a stay order on Paris[4] not to embark on the course of action agreed to late yesterday afternoon.

The gist of the Lansdale reports—apparently carefully evaluating those from pro-Diem sources—are as follows:

1. Diem has a head of steam up, would resist any Bao Dai effort to remove him, will name tonight a "Cabinet of intellectuals". (Lansdale indicating that in talking with Diem he had urged broadest possible base for this Cabinet but had an unresponsive reaction from Diem.)
2. The morale of the National Army is high.
3. Increasing indication that Binh Xuyen, while the leadership is making threats of strong action, at the functionary level is beginning to show signs of weakening and possible willingness to accommodate the Government.

In terms of policy the immediate decision is whether or not to go ahead with the course of action with respect to France first and thence Vietnam which had been agreed upon. This in the face of Bao Dai on the one hand and [?] quite likely to issue an edict firing Diem and instituting the Bao Dai plan and on the other hand Diem naming a new Cabinet and showing firm resistance to the Binh Xuyen and any move of Bao Dai.

In terms of intelligence it means a clarification of the views of . . . field, Embassy, Collins/Sturm and Department particularly with respect to (1) this afternoon's fighting and apparent success of the Army over Binh Xuyen; (2) Binh Xuyen steadfastness; (3) Diem's steadfastness. (Sturm apparently feels strongly that Diem should and would retire to a monastery whereas . . . reports, again evaluated by source which is often pro-Diem, indicate increasing vigor of Diem and the present Department policy which looks to a retention of Diem for the time being with a phasing out only when alternatives have been agreed upon even then with Diem holding a high position [*sic*].[5]

Fisher Howe

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gram, April 28, 7:46 p.m. Saigon time, secret and operational immediate, Lansdale reported that he had specifically asked Kidder to hold a country team meeting, but that Kidder was unwilling to do so. Lansdale also reported that Frank Meloy, chief of the Embassy's political section, who was present, accused Lansdale of attempting to use the country team to oppose Collins. (SMM telegrams)

[4] Printed as telegram 3837 to Paris, Document 144.

[5] The source text does not indicate where the parenthesis should end.

148. Memorandum of Discussion at the 246th Meeting of the National Security Council, Washington, April 28, 1955[1]

Present at the 246th Council Meeting were the President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Acting Director, Bureau of the Budget; the Director, U.S. Information Agency; General J. Lawton Collins, Special Representative in Vietnam (for Item 5); the Assistant Director for Telecommunications, ODM (for Item 2); the Acting Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; the Deputy Assistant to the President; Mr. Robert R. Bowie, Department of State; Mr. Paul J. Sturm, Department of State (for Item 5); Mr. Kermit Roosevelt, Central Intelligence Agency (for Item 5); Messrs. Anderson and Rockefeller, Special Assistants to the President; the White House Staff Secretary; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the main points taken.

[Here follows discussion of items 1. "Status of United States Programs for National Security as of December 31, 1954: The Mobilization Program"; 2. "Electro-Magnetic Communication: Effectiveness of U.S. International Broadcasting"; 3. "Significant World Development Affecting U.S. Security"; and 4. "U.S. Position on an Austrian State Treaty".]

5. Developments in Vietnam (NSC 5429/5, par. 10–a;[2] NSC Action No. 1316[3])

General Collins, accompanied by Mr Paul J. Sturm of the State Department, entered the Cabinet Room when Item 5 came up for discussion. Mr. Allen Dulles also asked permission for Mr. Kermit Roosevelt of the Central Intelligence Agency to be present while Mr. Dulles briefed the Council on the latest developments in Saigon.

Mr. Dulles explained that last night serious street fighting had broken out in the city of Saigon. A mortar shell had landed on the

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[1] Source: Eisenhower Library, Whitman File, NSC Records. Top Secret. Drafted by Gleason on April 29.

[2] Paragraph 10–a of NSC 5429/5, "Current U.S. Policy Toward the Far East", December 22, 1954, reads as follows: "Make every possible effort, not openly inconsistent with the U.S. position as to the armistice agreements, to defeat Communist subversion and influence, to maintain and support a friendly non-Communist South Vietnam, and to prevent a Communist victory through all-Vietnam elections." For text of NSC 5429/5, see *Foreign Relations*, 1952–1954, vol. xii, Part 1, p. 1062.

[3] See footnote 11, Document 28.

Presidential Palace, the residence of Prime Minister Diem, at 1:15 p.m. After two further shells had landed in the Palace grounds, Diem had telephoned General Ely and stated that he was ordering counterfire by the Vietnamese national forces. Eleven rounds of such counterfire had been counted by three o'clock in the afternoon. While there had since been rumors that a cease-fire had been arranged, Mr. Dulles doubted the validity of these reports, and said it seemed that Prime Minister Diem had ordered all-out action against the Binh Xuyen. In other words, Diem was proposing to force a showdown. It was not easy, continued Mr. Dulles, to say which side had actually been responsible for precipitating last night's events, but the real trouble had begun on April 26, when Prime Minister Diem had ordered the removal of the Chief of Police of Saigon, who was a member of the Binh Xuyen gangster group.

In a showdown fight, continued Mr. Dulles, and if the Vietnamese National Army remains loyal to the Prime Minister, there was little doubt that the Army could drive the Binh Xuyen forces out of Saigon. The difficulty was that such an attempt would almost certainly result in disturbances and civil war throughout South Vietnam. In addition, the street fighting might very well result in atrocities against French civilians living in Saigon. Finally, said Mr. Dulles, Diem has advised that he now intends to form a complete new Cabinet, and that he will announce its members tonight.

The President promptly inquired what General Ely was likely to do in the face of the situation which Mr. Dulles had described. General Collins replied that he believed that General Ely would do nothing unless a threat should develop to foreigners resident in Saigon. General Collins then produced a map of the city of Saigon and adjacent areas, and rapidly described the chief features of the city and the deployment of the Binh Xuyen and the National Army forces.

The President then asked General Collins whether the French were likely to interfere with American resupply of Prime Minister Diem's forces. General Collins thought that the French would not so interfere, and pointed out that the French have already offered an ammunition depot in Saigon to the Vietnamese forces.

At this point Mr. Dillon Anderson reminded the Council of the decision with respect to U.S. policy toward South Vietnam which the Council had made in January of this year. While he was doing so, the Executive Secretary handed out a draft record of action prepared in the Department of State, which State suggested should be adopted in lieu of the earlier Council action of January. Secretary Dulles pointed out that the chief difference was that the earlier action had pinpointed Prime Minister Diem as the individual whose government the United States should support.

Secretary Dulles said that he would like to comment in general on the situation in which we found ourselves respecting South Vietnam. In his view, the present difficulties had two fundamental causes. First, the limitations of Prime Minister Diem as the head of a government. While Diem's good qualities were well known and need not be elaborated, it was a fact that he came from the northern part of the country and was not very trustful of other people, perhaps for good reason. Furthermore, he was not very good at delegating authority. Despite these shortcomings, Diem might have proved adequate to the situation if it had not been for the second fundamental limitation—namely, the lack of solid support from the French. While the top leaders of the French Government, such as Mendes-France, Faure and General Ely, have gone along with Diem reluctantly, French colonial officials on the scene in Vietnam have done their best to sabotage him. These two fundamental limitations in conjunction have brought about a situation that has finally induced General Collins to conclude that we must now look for a replacement for Diem.

As a matter of fact, continued Secretary Dulles, we have been telling the French for a considerable period that we would be prepared to consider an alternative to Diem if they could come up with one. They haven't as yet done so. Moreover, the mechanics of effecting a change at this time would be very difficult. A change of Premier would necessarily involve recourse to Bao Dai, and we have always felt that Bao Dai's influence would be invariably exerted in favor of the Binh Xuyen, which supplies his ample funds. We haven't therefore, been inclined to look with very much favor on a new South Vietnam government appointed by Bao Dai. On the contrary, we have felt that it was really essential that a showdown occur between Bao Dai and the rebellious sects. Such a showdown both Bao Dai and the French have consistently tried to avoid.

Late yesterday afternoon, however, we in the State Department dispatched a complicated series of cables to Saigon outlining ways and means of replacing Diem and his government.[4] However, in view of the developments and the outbreak of last night, we have instructed our people in Saigon to hold up action on our plan for replacing Diem. The developments of last night could either lead to Diem's utter overthrow or to his emergence from the disorder as a major hero. Accordingly, we are pausing to await the results before trying to settle on Quat or Defense Minister [*sic*] Do as possible replacements. Secretary Dulles confessed that he was not much impressed with the Defense Minister. On the other hand, unless something occurs in the Saigon disorders out of which Diem will emerge as the hero, we will have to have a change. This is the view both of General Collins and General Ely, and Ely has played an honest game with us in this whole affair.

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[4] Documents 140, 141, and 142.

Secretary Dulles then pointed out that Bao Dai had actually threatened to take the matter in his own hands and establish a new government himself. Indeed, we are not absolutely sure that we can restrain him from so doing, since he so to speak represents the only existing source of legitimate governmental authority. Thus we find ourselves obliged to work with him and through him to some extent, until we are in a position to devise some alternative source of authority.

At the conclusion of his statement, Secretary Dulles asked General Collins to present his views. General Collins began by reminding the National Security Council of his earlier appearance before it prior to his departure for Saigon, and of the position he had taken at that time—namely, that there were five major factors on which the future of Free Vietnam would depend. He said that he would briefly run over these same five factors now.

(1) The possibility of an overt attack on Free Vietnam by the Vietminh. Of this General Collins stated there was very little danger at the present time.

(2) The loyalty of the Vietnamese National Army to Diem. General Collins emphasized that to date the Vietnamese National Army had been loyal to Diem, but that loyalty would almost certainly not extend to supporting the Prime Minister in a civil war. The Army violently disliked the Binh Xuyen, but it also disliked the prospect of engaging in a civil war in South Vietnam which would also include the Hoa Hao and the Cao Dai sects, which were quite strong in the southern portions of Free Vietnam. The great danger of trying to drive the Binh Xuyen from their strongholds in Saigon, said General Collins, was precisely the danger that such an attempt would end in widespread civil war.

(3) The problem of the sects. General Collins pointed out that we have feared all along that efforts to cut down the size of the private armies of the sects and to dry up their financial resources would cause trouble. This was probably inevitable, whether Diem or anyone else made the effort. On the other hand, General Collins insisted that Diem's handling of the problem of the sects had been anything but astute.

(4) The attitude of the French. General Collins said that since this had been thoroughly covered by Secretary Dulles, he would add no more except to point out that there could be no doubt of the loyal role played with him by General Ely.

(5) The personality of Diem. On this point General Collins said that as early as the end of his first week in Saigon he had come to entertain very serious doubts as to Diem's ability to govern. Diem betrayed no political knack whatsoever in his handling of men. His ineptitude in this respect was responsible for the series of resignations from his Cabinet. It was no mere matter of rats quitting a sink-

ing ship. General Collins felt that it was a particular misfortune to lose Minh, the young Secretary of Defense, and Do, the older Secretary of Foreign Affairs, whom General Collins considered to be a man of very good judgment. If, said General Collins, Diem makes good on his statement that he would name a new Cabinet, this Cabinet would almost certainly consist of unknown individuals who had no public standing.

All this induced General Collins to conclude that Prime Minister Diem's number was up. Nor had he ever felt that Diem was the indispensable man. Accordingly, even without Diem the program adopted by the Council for South Vietnam could and should go forward without interruption, even though its estimated costs would be $40 million more this year than previously estimated. General Collins emphasized that he still felt that this U.S. policy and program was a gamble worth taking, although certainly a gamble. A long-term solution of the sect problem was vital to the success of the program. It was likewise vital to take control of the police away from the Binh Xuyen. Finally, it was essential to get genuine French support for the policy and program, no matter who was the Vietnamese Prime Minister.

The President commented that it was an absolute sine qua non of success that the Vietnamese National Army destroy the power of the Binh Xuyen. Otherwise any new government was bound to fail. To this General Collins replied that the attempt to destroy the Binh Xuyen by military action would almost certainly produce civil war in Vietnam. The Binh Xuyen, if removed from Saigon, would take to the Maquis and raise hell for years to come. Accordingly, General Collins said he personally preferred a political solution. He had wished Diem to form a genuine coalition government. He doubted very much whether Diem could be prevailed upon to try it, but such a political solution seemed most likely to bring success.

Secretary Humphrey inquired how far the Communists were behind the disorders and outbreaks in Saigon. General Collins replied that there could be no doubt that they were stimulating and exploiting the disorders that existed.

At this point Mr. Anderson read the proposed record of action. The President inquired if there were any objections. There being none, the President observed that the proposed action sounded all right to him, and that he could not see what else we could do at this time.

At the close of the discussion, Mr. Allen Dulles commented that if it were any comfort to the Council, there was quite a good deal of evidence that the Vietminh were encountering considerable difficulty in their part of Vietnam.

The National Security Council:[5]

a. Noted and discussed an oral briefing on the latest developments in Saigon by the Director of Central Intelligence.

b. Noted and discussed the oral report by General J. Lawton Collins, Special Representative in Vietnam, and the comments of the Secretary of State on the present situation in Vietnam.

c. Agreed that the United States should:

> (1) Continue its support of South Vietnam, while recognizing that the composition of the government might have to be changed and keeping the situation constantly under review.
>
> (2) Continue to press the French Government to provide more effective support for the Government of South Vietnam.
>
> (3) Continue the military and non-military programs for South Vietnam for the time being.

Note: The action in c above, as approved by the President, to supersede NSC Action No. 1316–b, subsequently transmitted to the Operations Coordinating Board as the coordinating agency for NSC 5429/5, to provide guidance in the implementation of paragraph 10 thereof.

S. Everett Gleason

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[5] The following paragraphs and note constitute NSC Action No. 1389, a record copy of which is in Department of State, S/S–NSC (Miscellaneous) Files: Lot 66 D 95.

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149. Telegram From the Secretary of State to the Embassy in France[1]

Washington, April 28, 1955—9:37 p.m.

3849. Re Deptel 3828 to Paris rptd Saigon 4756[2] and Deptel 3837 to Paris rptd Saigon 4766.[3]

1. You should carry out paragraph 7a of Deptel 3828 to Paris rptd Saigon 4756. Secretary saw French Ambassador late today, and talked to him along these lines:

Situation disturbing and disappointing in Vietnam. Some people have concluded it confirms estimate it is hopeless to try to build anything there. Considerable concern felt in all quarters in Washington and we must re-examine our policies. Question of French support for Diem Government important. Without criticizing French Government in any way, it is fact French interests and opinion in Saigon in particular have never supported and often opposed Diem. Perhaps this could not be helped but French Government had undertaken last year understanding with us on wholehearted support for Diem Government in effort to rally all anti-Communist forces to it. If nevertheless present state of affairs is result, we must recognize there are very serious obstacles to such support that will prevent any government in Vietnam from succeeding. We feel it is essential that we have some frank statement from French that they can wholeheartedly support another government without leading to similar results; or if their support cannot more adequately assure better results then we had better know it because it is going to be most difficult for US to continue support particularly in view of evident congressional opinion. French should realize it would probably be difficult get support from Congress for any change in Saigon in any case.

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[1] Source: Department of State, Central Files, 751G.00/4–2855. Top Secret; Niact; Limit Distribution. Drafted by Young and cleared in substance with Dulles. Repeated for information niact to Saigon.

[2] Document 140.

[3] Document 144.

General Collins expressed his opinion that no government in Vietnam has any hope unless French Government and Bao Dai give unequivocal evidence of full support. Secretary pointed out incongruity of situation where chief of government is prevented from taking measures against rebels in control of police. Every time he has tried to he is pushed back while the Binh Xuyen is not. Both Secretary and Collins emphasized that, unless Bao Dai takes adequate measures to remove the police control from the Binh Xuyen and ensures the integration of the sects, then every government in Vietnam will suffer same fate as Diem.

Secretary said Collins was returning Friday morning[4] to Saigon and would be in touch with Ely immediately. Secretary also emphasized that Bao Dai should not crystallize any action until Ely and Collins have been able to review the situation together. Collins scheduled arrive Saigon Monday May 2d.

2. In elaborating on the above paragraph and reftel you may give the following points orally to French authorities but not in writing:

"The present crisis has forced the US to review its basic policy toward Viet-Nam.

"In our judgment, even with the full support of the US, no government in Viet-Nam will succeed unless it enjoys—

1. Nationalist Vietnamese support;
2. Unambiguous French support; and
3. Full support by Bao Dai.

"For over six months the US has loyally and vigorously supported the present government under Diem. We are fully aware of his administrative and personal weaknesses which have contributed to the present crisis. We firmly believe, however, that no government could have avoided the present crisis with only the partial support of the French government and Bao Dai.

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[4] April 29.

"We have no intention of trying to head off the proposed action by Bao Dai or otherwise intervene in the present situation, but we want the French and Bao Dai to have no doubt as to our attitude.

"The US is not interested in continuing to seek to give support to Viet-Nam under the present ambiguous conditions. We will not continue to engage our prestige and furnish our resources for a project which is certain to fail.

"To obtain US support, therefore, any future government in Viet-Nam, whether or not it includes Diem, must be clearly assured of the following:

> 1. The full and unqualified support of France, thereby dispelling any ambiguity with respect to North Viet-Nam.
> 2. Bao Dai must ensure that the legal government has full authority, including control of the police and the military forces of Viet-Nam.
> 3. Bao Dai and the French must wholeheartedly assist by every means available to them in integrating the sects into the normal life of Viet-Nam, in relieving them of their feudal power, and territorial control, and integrating their private armies into the national army."

Dulles

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150. Memorandum From the Director of the Office of Philippine and Southeast Asian Affairs (Young) to the Secretary of State[1]

Washington, April 29, 1955.

SUBJECT

Message from Chief of Vietnamese Military Intelligence to the U.S.

The following is a message received . . . from the Chief of Prime Minister Diem's Military Intelligence with the request that it be transmitted to highest American authorities. The receiving agency comments that the message should properly be read as an informal but attempted communication between the Government of Viet-Nam and the Government of the United States.

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[1] Source: Department of State, Central Files, 751K.00/4–2955. Top Secret. Drafted by Hoey. Also sent to Hoover, Murphy, MacArthur, Merchant, and Sebald.

1. Decision has been taken to destroy all rebels supported by the French.

2. In the event that under French pressure Bao Dai dismisses Diem overtly, then present government will take to *maquis* in the name of the Revolution against Bao Dai and France.

3. Meanwhile President this morning sent telegram to Bao Dai seeking pretexts not to proceed to Cannes (i.e. President and General Ty).[2] Same time Binh Xuyen being defeated quickly as possible.

4. President Ngo Dinh Diem requests support and moral pressure on Bao Dai and French to bring about postponement execution of Bao Dai's previous decisions taken in recent telegrams.

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[2] As reported in telegram 4928 from Saigon, April 29, Bao Dai ordered Diem and Chief of General Staff Ty to Cannes for consultations. (*Ibid.*, 751G.00/4–2955)

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151. Telegram From the Chargé in Saigon (Kidder) to the Department of State[1]

Saigon, April 29, 1955—5 p.m.

4908. 1. At Ely's request, I went to see him late evening April 28 "to review events of the day." I feel certain Ely's request was based on conversation he had had earlier in evening with British Ambassador Stephenson, in which Stephenson urged Ely to do everything possible avoid recurrence of situation following events night March 29 when US and France found themselves taking firm opposing views as to responsibility origin of incident.

2. When I arrived at Ely's residence accompanied by Embassy officer, I found Ely surrounded by Gambiez, Van Laethem,[2] De Rougement and another staff officer. Ely asked Gambiez to give us full account available information as to origins of day's conflict which was still going on as we sat there. Gambiez' account was substantially similar to that reported (Embtel 4881 rptd Paris 1261.[3]) Emphasis was placed on fact mortar shells had landed "Y" Bridge area from unknown point of origin at approximately 12:15 and that shelling of Palace did not occur until one hour later. French briefing (SPD) morning April 29, however, made no mention 12:15 mortar shelling but stated mortar exchange began 13:15 at time attack on Palace.

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[1] Source: Department of State, Central Files, 751G.00/4–2955. Confidential; Priority. Repeated for information to Paris.

[2] Gabriel Van Laethem, Counselor in the Cabinet of General Ely.

[3] See Document 143.

3. French emphasized they had been scrupulously careful not attempt block actions National Army but had repeatedly urged cessation of hostilities.

4. Ely appeared deeply agitated over apparent continued determination Diem press conflict. Ely insisted Diem had violated truce by bringing reinforcements to Saigon, by removing Binh Xuyen Police Chief Lai Van Sang, and inferentially by responsibility for 12:15 mortar fire.

5. Ely inquired if I would be willing see Diem and urge him cease hostilities. I replied that I had personally witnessed from Embassy roof earlier in evening heavy exchanges of fire between Binh Xuyen and National Army, and that shells had been clearly visible flying in both directions. Ely seemed slightly surprised that Binh Xuyen were returning National Army fire. I pointed out we do not see matter in sharp black and white tones as French appear to do. I would see Diem April 29 in order learn further details his side of story but could give no commitment I would urge him cease fire.

Kidder

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152. Telegram From the Chargé in Vietnam (Kidder) to the Department of State[1]

Saigon, April 29, 1955—8 p.m.

4926. Part I.

1. I called on Diem noon April 29, arriving immediately after Cabinet meeting. While waiting for Diem I had conversation with [name and title deleted].

2. [Name deleted] informed me that at Cabinet meeting, Cabinet unanimously counseled Diem not transfer high military command to Vy.[2] [Name deleted] most contemptuous regarding General Vy, who

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[1] Source: Department of State, Central Files, 751G.00/4–2955. Secret; Niact; Limit Distribution. Repeated for information niact to Paris.

[2] As reported in telegram 4917 from Saigon, April 29, Bao Dai issued a decree on April 28 naming General Nguyen Van Vy as Supreme Commander of the Vietnamese National Armed Forces and empowering him to take all necessary measures to avoid armed conflict between the national army, the police forces, and the sects. (*Ibid.*)

Prior to receipt of this telegram in Washington, Dulles learned of this move on the news ticker and immediately telephoned the French Ambassador in Washington, Couve de Murville. The conversation, as transcribed in Dulles's office, was as follows:

"The Sec. said there is a ticker report that Ely has recognized Vy as Commander-in-Chief of the Army. The Amb. said he has not heard anything about it. The Sec. said he hopes it is not true as if, in the middle of this battle when it looks as if the

Continued

he states sent special message Bao Dai via Imperial Cabinet approximately week ago protesting his desire for peace when [name deleted] had previously forbidden him to send any such message. After [name deleted] tried to get explanation from Vy regarding "numerous army officers" associating themselves with Vy in his message, Vy fled to Dalat where he has remained until this morning. With regard Bao Dai's instructions Diem come to Paris, [name deleted] said no one willing accept responsibilities of interim government during Diem's absence and Cabinet had therefore counseled Diem remain. He stated that if Bao Dai wished make change he should have made clean break and named somebody else. In reply my question, however, [name deleted] said he did not believe it would be in "national interest" for Diem to go even under such circumstances and Diem would probably resist.

3. [Name deleted] expressed violently anti-French sentiments accusing French colonialists of being responsible for present imbroglio.

Part II.

1. Diem in obviously troubled yet calm mood confirmed what [name deleted] had said regarding Vy and Cabinet advice. He added situation would become hopelessly out of hand if he, Diem, left country. He put particular emphasis on support renewed to him this morning by Cao Dai Generals Phuong and Trinh Minh The and Hoa Hao General Nguyen Giac Ngo (Embtel 4895 Paris 1263[3]), stating they in highly excitable mood and they would resort to armed action should Vy be named Commander in Chief or should Diem be replaced. He stated that to remove Ty at this time would be regarded by Vietnamese soldiers as insult and installation of Vy would most certainly mean civil war. Asked regarding Ty's views, he said Ty would stay as long as Diem refrained from officially passing military powers to Vy ([name deleted] had not been so sure of this as Diem professed to be).

2. While not as bitterly anti-French as [name deleted], Diem stated his firm conviction French are supporting Binh Xuyen, both morally and with munitions. He states French provided six helicopters for evacuation Binh Xuyen wounded and that FAVN troops night April 28 captured two armed French soldiers in Binh Xuyen post. He states French-inspired truce has given Binh Xuyen chance to

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forces of law and order are gaining the ascendancy, the army is taken away from the head of government, it will look as though Bao Dai and the French are really supporting Binh Xuyen, and not the legal government. If that impression got around, the Sec. would think it was hopeless to expect further backing from the US. The Sec. asked him to find out if it is true, and the Amb. said he would right away." (Eisenhower Library, Dulles Papers, General Telephone Conversations)

[3] Dated April 29, not printed. (Department of State, Central Files, 751G.00/4-2955)

reinforce their positions. (In this regard Ely morning April 29 took attitude Diem acting illegally because he had broken truce. When I asked Ely whether Binh Xuyen had not been breaking truce through introduction additional troops and armaments he made no reply.)

3. Diem states he intends send message Bao Dai pointing out removal Ty in favor Vy at this time would create impossible situation within army and that no one is willing take over Prime Ministership should Diem leave country. Diem will say, he says, that at present crucial juncture it is absolutely essential for nation that he remain in Vietnam. Diem adds that should Bao Dai nevertheless insist, it might well mean end of Bao Dai, although Diem says he thinks "he might perhaps stop any revolt against His Majesty." While dictating this telegram I have been informed Diem has issued public statement saying he will decline transfer military authority to General Vy and will not comply Bao Dai's instructions proceed to France.

4. Diem, referring to transfer of police powers, pointed out he had been asked time and again to wait while political solution found. No solution was upcoming and in order retain his authority as Prime Minister it was essential he act. He said he had told Bao Dai he had no choice but to change Chief of Police and Bao Dai had not replied until after action was taken (we are not unaware that this if factual might have been deliberate timing on Diem's part).

Part III.

1. Diem states Binh Xuyen are organ of French colonialism. Ely, on other hand, states Diem is "irresponsible madman" and merely chief of band. There is total lack of common ground between two points of view. Diem indicates he will resist Bao Dai's instructions. Ely states that if Diem remains he, Ely, will wash his hands of responsibility.

2. Diem, in our conversation, asked me nothing regarding US policy and I limited my comments to pointing out that in not obeying Bao Dai's order he would be undertaking an extremely grave responsibility and that it was certain French would lay blame on him, Diem, for what might follow.

3. Ely asked me call this morning and I found British Ambassador Stephenson with him. Ely apparently extremely anxious to get my support in counseling Diem to negotiate cease fire and my agreement to Ely's version of sequence military events precipitating developments of April 28 (Embtel 4882, Paris 1262[4]).

Part IV.

1. French info service officer, briefing press this morning, stated I had met this morning with Ely and that we had made joint US-French attempt obtain cease fire which had failed. French official on

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[4] Document 146.

being asked about French policy stated that it is to get cease fire and that it has US support. These allegations are without foundation and I have so informed *Time* representative who queried me.

Kidder

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153. Telegram From the Chargé in Vietnam (Kidder) to the Department of State[1]

Saigon, April 29, 1955—8 p.m.

4929. 1. At 1530 April 29, British Ambassador Stephenson and I met with Ely at his request. Ely asked about my conversation during morning with Diem (Embtel 4926, Paris 1270[2]). I outlined high points which Diem subsequently included in press release (Embtel 4916, Paris 1268[3]). He asked me what line I had taken with President Diem and I informed him that Diem had not asked my advice and I had not proferred it, but had restricted myself to commenting that if he should not obey Bao Dai's instructions, he would be taking on his shoulders a very grave responsibility indeed. I added that I had informed Diem also that I hoped everything would be done to avoid needless bloodshed. In reply to Ely's query I said that I had not advised Diem to seek cease-fire, nor had I made any mention of possible illegality as result Diem not complying Bao Dai's instructions.

2. Ely then reiterated that Diem's refusal obey Bao Dai put him in illegal position. I commented that I had not seen actual text Bao Dai's instructions; that Bao Dai had not removed Diem as PriMin, and that I thought it could be fairly argued that Diem as PriMin had right at least to reply to Bao Dai giving his estimate of situation and reasons which influenced Diem not respond immediately to Bao Dai's bidding. I said that when it came to question of illegality, it seemed to me that it had been Bay Vien and Lai Van Sang who had been acting illegally. (Ely then gave me text Bao Dai message to Diem, Embtel 4928 rptd Paris 1271.[4])

3. Stephenson said that if Ely and I agreed he would be willing see Diem, but that he would be able go no further than I had gone. Stephenson has always taken viewpoint that he would see Diem only

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[1] Source: Department of State, Central Files, 751G.00/4–2955. Secret; Priority; Limit Distribution. Repeated for information to Paris.

[2] *Supra.*

[3] Dated April 29, not printed. (Department of State, Central Files, 751G.00/4–2955)

[4] See footnote 2, Document 150.

when it would be of help to French and Americans in their cooperation in support of Diem. Ely and I agreed that it might be helpful if he saw Diem. (On leaving Ely, Stephenson commented that he thought I had taken only possible line of action vis-à-vis Diem.)

4. Ely, I believe, had hoped he could get American and British support in a démarche to Diem for cease-fire. He stated he would have to act unilaterally and would probably do so afternoon April 29. *Comment:* Unevaluated eyewitness report indicates French North African troops active in area central market and observed moving toward Boulevard Gallieni, for what purpose we do not know.

Kidder

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154. Memorandum of a Conversation, Paris, April 29, 1955[1]

PARTICIPANTS

Prime Minister Edgar Faure
Secretary of State Laforest
M. Massigli
M. Bérard
Ambassador Dillon
D.M. Bane

SUBJECT

Political Situation in South Vietnam

REFERENCE

Embassy's telegram 4740 (Saigon 687) April 29[2]

The Ambassador opened the meeting by outlining in detail those points on which the United States Government would like clarification from the French Government prior to proceeding with the consideration of questions of procedure and personalities posed in the French Aide-Mémoire of April 17, as well as those assurances of wholehearted support for the future Vietnamese Government which the United States Government feels must be received from the French Government and Bao Dai in order to justify the continued support of the United States Government in South Vietnam. A detailed account of the Ambassador's exposition, which was read and approved by the French, was contained in the reference telegram as well as the Ambassador's comments to Prime Minister Edgar Faure regarding United States concern over the continuation of Jean Sainteny in the role of French Delegate General to North Vietnam. The following summary of the French reaction was read and approved by the French and is set forth here since it is in greater detail than the account given in the reference telegram.

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[1] Source: Department of State, FE/SEA Files: Lot 58 D 207, Paris Talks—May, 1955. Top Secret. Drafted by Dillon and D.M. Bane of the political section of the Embassy.

[2] In this telegram, Dillon described the manner in which he had carried out the instructions set forth in Document 149. (*Ibid.*, Central Files, 751G.00/4–2955)

Prime Minister Edgar Faure began by saying that he must tell us in all seriousness that the French Government felt constrained to review its policy vis-à-vis Vietnam in the light of recent developments, and to confirm that the French Government had no intention of intervening unilaterally with Bao Dai at this juncture.

He reminded us that for the past six months the French Government had made clear its conviction to the United States Government that the Diem Government did not possess the capability of effecting a stabilization of the political situation in South Vietnam, and that for the past month the French Government had endeavored to persuade the United States Government to enter into a joint review of the political situation at Saigon and to reach mutual agreement on a course of action to follow that might avert the outbreak of civil war. He added the personal comment that while holding the posts successively of Minister of Finance, Foreign Affairs, and now Prime Minister, he had not met a single person who believed that Diem could succeed in stabilizing the situation at Saigon.

The Prime Minister emphasized, however, that while neither he nor anyone in the French Government shared the American point of view as regards Diem, he wished to make clear that neither he nor the French Government had any intention or desire to enter into conflict with the United States on this score. The fact that Diem is anti-French, he said, is and has always been a secondary consideration as far as the French were concerned. The Prime Minister reiterated once again that the French Government is not wedded to any particular formula for the solution of the crisis at Saigon and that it continued to hold the hope that it might be possible to reach, in consultation with us, a mutually satisfactory position.

In referring to the steps taken by Bao Dai yesterday to convoke Diem as well as certain Vietnamese personalities to Cannes, the Prime Minister expressed his very real fear that these steps had perhaps been taken too late to save South Vietnam from full-scale civil war. If Bao Dai's action had been taken several weeks ago, he said, the chances of success would have been infinitely greater than those presented to us today. Although it may be too late to prevent the occurrence of full-scale civil war in South Vietnam, the Prime Minister said that France remains ready to do its utmost in conjunction with the United States to retrieve the situation. In this connection, the Prime Minister expressed the view that with the sole exception of the problem posed by our feeling that M. Sainteny not return to Hanoi, he foresaw no difficulty in the French Government's accepting the views of the United States Government as outlined by the Ambassador. He said, however, that he would like Minister Laforest and other officials concerned to go over the points as outlined by the Ambassador and that he would confirm the French position shortly.

As regards United States concern over French policy towards North Vietnam, the Prime Minister said that he wished to underline in strongest terms that the French Government was not following an equivocal policy or playing "a double game" in Vietnam and that it had no intention of "playing the Vietminh card" to the detriment of the legally constituted Government of South Vietnam. He emphasized that the French Government had no illusions regarding Ho Chi Minh. However, he said, France needed a representative at Hanoi not with a view to cooperating with the Vietminh but solely for the purpose of protecting such French interests and influence as remain and to keep abreast of developments in that region. The Prime Minister made abundantly clear that for domestic political considerations it was out of the question for him to relieve Sainteny of his functions. However, he wished to assure the United States Government that the French Government had, as in the past, every intention of taking fully into account United States views in this regard. Minister Laforest at this juncture stated that the failure of the French Government to conclude the mixed company agreement with the Vietminh could be attributed in large measure to the unfavorable attitude taken by the United States Government toward the conclusion of such an agreement. The sale of the Charbonnages du Tonkin constituted, he said, a clear-cut illustration of the intention of the French Government to give maximum consideration to United States views. The person of Sainteny, however, Minister Laforest reiterated, posed a domestic political problem. The latter's role, he said, was limited to that of an observer, and Sainteny had been selected for this post solely because he was considered to be the best qualified man for the job. The Sainteny mission as constituted today, the Prime Minister emphasized, represented a far more preferable approach than that of being placed in the position of having to accredit a consul to the Vietminh Government, a situation which the French Government has tried to avoid from the beginning. In conclusion, Mr. Faure stressed that with the sole exception of the recall of Sainteny, he could foresee no impediment to French acceptance of the points as outlined by the Ambassador pursuant to the Department's instructions.

In response to the Ambassador's inquiry concerning Bao Dai's delegation of full military power to General Vy, Minister Laforest stated that Vy was the oldest Vietnamese General, that he was generally respected, and stressed the importance of the fact that General

Vy had made clear that he did not wish to participate in a fratricidal civil war. He noted that Diem presently has perhaps approximately 10 battalions of Tonkinese troops, including elite parachute elements, presently engaged in supporting him in the present conflict at Saigon. Minister Laforest likened the situation to the Swiss support of Louis XVI. However, he said, while Diem might succeed in gaining control of the situation in Saigon–Cholon, unquestionably civil war would flare up and continue indecisively in the provinces. Many terrible things could occur in the next several weeks, he added, and irremediable damage inflicted. Prime Minister Faure intervened to point out that the Vietminh are deliberately keeping clear of the present conflict, "rubbing their hands in delight", with full knowledge that civil war will ultimately deliver South Vietnam into their hands.

The Prime Minister at this juncture referred to his statement at his morning press conference to the effect that France would keep its engagements under the Geneva Accords as regards elections, and he expressed the fear that the scheduled elections had been passed over (depasse) by events which very likely would deliver South Vietnam in fact into the hands of the Vietminh before July 1956.

The Prime Minister stressed, however, that it was perhaps not impossible to retrieve the situation and ultimately succeed in the test with the Vietminh if joint Franco-American action taken quickly. He underlined that the basic objective of France and the United States was the same, namely to maintain and safeguard a non-Communist Vietnam within the free world orbit. M. Faure made clear, however, that the next move was primarily up to the United States and, specifically, he expressed the hope that the United States would exert its influence on Diem to see that he returned to Cannes in accordance with Bao Dai's request in an effort to salvage the situation and find a salutary solution.

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155. Editorial Note

On April 29 the United States and France signed an agreement providing for a United States grant of $100 million in assistance to the French Expeditionary Corps (FEC) in Indochina. The $100 million figure represented a little less than 25 percent of the estimated cost of the FEC for 1955. Immediately prior to the signing, the French were informed orally that the United States would feel obliged to reexamine its program of financial support if serious policy differences regarding Vietnam continued between Paris and

Washington. French Finance Minister Pflimlin, speaking for his government, stated he fully understood and appreciated the United States position. It was agreed with the French that no press statements or publicity should be given to the signing of this agreement. (Telegrams 3777 and 3813 to Paris, April 22 and 26, respectively, and telegrams 4667, 4729, and 4732 from Paris, April 27, 29, and 29, respectively; Department of State, Central Files, 751G.5–MSP/4–2255 to 751G.5–MSP/4–2955)

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156. Telegram From the Chief of the Military Assistance Advisory Group in Indochina (O'Daniel) to the Chief of Naval Operations (Carney)[1]

Saigon, April 29, 1955—7:40 p.m.

MG 376–P, DTG 291140Z (Army message). Following is a résumé of Saigon–Cholon conflict between VNA and Binh Xuyen forces which began 1315 hours local 29 [*28*] April with mortar shelling of Palace following numerous small fire fights of recent days.

Prior 1400 hours, General Gambiez called VNA Headquarters on Rue Gallieni and inspected mortars. Mortars had not been fired but shortly after Gambiez departed Binh Xuyen mortar fire received in Headquarters area which then returned by VNA and concentrated battle began along Rue Gallieni. Binh Xuyen reportedly set fire huts around motor pool at VNA Headquarters but VNA succeeded in getting out all but two vehicles. Extensive area between Rue Gallieni and Chinois Arroyo burned out during afternoon. At 1700 hours, President ordered VNA to clean out Binh Xuyen and VNA went on offensive with four parachute battalions. VNA succeeded in gaining objective of banks of Chinois Arroyo by 1300 hours, 29 April, having overcome Binh Xuyen Headquarters on Rue Gallieni and most other Binh Xuyen strong points in city. In separate action VNA captured Binh Xuyen post at Lycee Petrus Ky. Grande Monde, a Binh Xuyen stronghold, burned out. Timber span of Y bridge leading to Binh Xuyen posts south of Chinois Arroyo blown by Binh Xuyen, temporarily out of use. Fires along Rue Gallieni had burned out by morning April 29. Fighting died down about 1200 hours local April 29, resumed 1700 hours. VNA expects mop up areas already engaged afternoon April 29. VNA estimates their casualties 20–30 killed, 150 hospitalized, Binh Xuyen casualties 100 killed, 400 wounded. Heavy civilian casualties.

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[1] Source: Department of State, Central Files, 751G.00/4–3055. Secret; Priority. Repeated for information to CINCPAC, Chief of Staff of the Army, the Intelligence Departments of the U.S. Air Force and the Far East Air Force, and the Departments of the Army and State.

According to telegram MG 377P DTG 300145Z (Army message), CHMAAG Saigon, April 30, this telegram was a joint message of MAAG Chief, the Army, Navy, Air Attachés, and Colonel Lansdale. (*Ibid.*)

At 1430 hours 29 April, French started deploying heavily armed soldiers along principal boundaries of European Sector in Saigon, possibly concerned about flanking movements or to prevent spreading fight to European Zone. VNA reports Binh Xuyen posts in Saigon area controlled by French contain three companies of Binh Xuyen. This provides tense situation.

VNA appears have capability, morale and desire to finish Binh Xuyen now. Having taken many casualties during past month adds to VNA incentives, however, recent orders from Bao Dai concerning consultations in France have apparently produced some dismay and indecision which could be dispelled by strong US stand in support of government. Any change in leadership or command at this time could result in chaos.

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157. Telegram From the Chargé in Vietnam (Kidder) to the Department of State[1]

Saigon, April 30, 1955—midnight.

4952. 1. I saw Ely at 1730 on April 30 to review current situation.[2]

2. Commenting on relative calm during last 24 hours Ely said he had made démarche to Diem through Wintrebert afternoon April 29 and had put French guards on 2 bridges over Arroyo Chinois at point where it enters Saigon River. He said he had copy Vietnamese plans

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[1] Source: Department of State, Central Files, 751G.00/4–3055. Secret; Limited Distribution.

[2] In an unpublished article Kidder states that he saw Ely three times on April 30 and that before the first of these conversations he received telegram 3837 to Paris, April 27, repeated to Saigon (Document 144). "So, when Ely asked me whether the U.S. would support the French in removing Diem all that I knew for certain was that further instructions from Washington would be following. Obviously they were having second thoughts there but what these were I had no idea. I was left no choice but to make up my own mind what our policy was as I would be damned if I was going to say I didn't know. . . . I told Ely 'No'. He was flabbergasted, being fully aware of Collins' decision to urge Washington to drop Diem and believed that was to be our course of action. 'How do you know that?' he asked me. My reply, 'General I know American foreign policy'." (Randolph A. Kidder, unpublished manuscript in possession of the author)

and wished prevent fighting from spreading to dock area along river south of Arroyo. He also believes arrival General Vy may have some pacifying influence. He states Vy is meeting this evening with General Ty and Colonels [garble] and Don in attempt work out relative positions. Ely does not know whether Ty will go along with Diem or not.

3. Ely emphasized his firm belief that sole responsibility for recent trouble lies on Diem's shoulders. Diem has insulted him numerous times and indulges in constant lying against French. Ely will not stay if Diem remains. He reiterated Diem no longer head of a government but is illegal and has no Cabinet left. He alleged only 3 Ministers remained to support Diem's reply to Bao Dai instructions to come to Paris. He seemed surprised when I told him that I myself had seen at least 10 Ministers coming out of April 29 Cabinet meeting. Ely states that Diem should have resigned if he couldn't control situation but had no comment when I pointed out that such action would have constituted clear-cut Binh Xuyen victory. In any case, he said, Binh Xuyen had no reason whatsoever start trouble, as it was in their interest await Bao Dai action. Ely said Diem or his friends only ones who had interest in instigating incident. In brief, Ely is personally and emotionally involved and can see only one side of picture.

4. Re Bao Dai sending General Hinh to Saigon, Ely believes it stupid mistake and has so cabled Paris, hoping Hinh can be stopped en route.

5. Ely says he has proof Viet Minh are profiting from trouble and are infiltrating and using Binh Xuyen and Hoa Hao and attempting prevent settlement of fighting.

6. Ely mentioned Ambassador Dillon's talk with Faure (Paris telegram 4740 repeated Saigon 689[3]). I limited myself to stating that our Ambassador had made 3 points listed under paragraph 7a of Department telegram to Paris 3828 repeated Saigon 4756.[4]

Kidder

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[3] See footnote 2, Document 154.

[4] Document 140.

158. Telegram From the Chargé in Vietnam (Kidder) to the Department of State[1]

Saigon, April 30, 1955—midnight.

4953. 1. As reported part III (1) Embtel 4926 rptd Paris 1270[2] there is no longer any common ground on understanding between Diem and Ely. Ely has not seen Diem or any of his Ministers since April 15, having used Wintrebert as go-between. Ely states one reason for this is that his presence is like red flag to bull with Diem.

2. French, in their anxiety avoid bloodshed in Saigon–Cholon and protect French lives and property, have understandably used all influence restrain Diem from taking any action wich would lead to violence on part of Binh Xuyen and sect front. This fact, plus decision withdraw support from Diem, has brought them to position where their neutrality can be fairly described as being favorable to Binh Xuyen whom we regard as rebels against legitimate government. They hindered National Army reaction to Binh Xuyen attack on March 29, and while they have not taken comparable action in present episode, they have tended lay major, if not full, blame on Diem, continuing to regard struggle as one between equals.

3. This represents fundamental difference of opinion between Ely and myself.

4. We here have consistently supported and followed policy of close collaboration with Ely in support of Diem government, believing it necessary if Free Vietnam to be saved. Carrying out that policy in present circumstances where there is fundamental difference of opinion, combined with necessity of preserving best possible relations with Ely pending Collins' return, has dictated my actions during last few days. I have not failed make clear to Ely that I disagree with him, but I have felt it wise to avoid extended discussion of issues. Based on my own conviction, I have emphasized to Diem the serious nature of the actions which he has proposed take in defying Bao Dai, and fact that full responsibility will be placed on his shoulders. I have not been willing, nor has British Ambassador Stephenson, join with Ely in joint approach to Diem seeking cease-fire. Ely, April 29, proposed to Stephenson and me following press release: "At end of morning and beginning of afternoon, Chargé d'Affaires of US, Ambassador of Great Britain, and finally representative General Ely visited President Ngo Dinh Diem to inform him of common desire of 3 govts that end be made to bloodshed, conforming to instructions of Chief of State. They informed President Diem,

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[1] Source: Department of State, Central Files, 751G.00/4–3055. Secret. Repeated for information to Paris.

[2] Document 152.

in course of same démarche, they hoped mission confided to General Ely by His Majesty Bao Dai would permit prompt re-establishment of order."

5. Stephenson and I stated that we could not agree to release of any such statement. I pointed out it was not factual as regards actions that I had taken or expected to take.

6. While fully appreciating Ely's loyal cooperation in past, and continuing necessity of close US-French collaboration, I believe we must review our position with regard to Ely himself in light recent developments. I do not think I exaggerate when I say that if Diem should be retained as PriMin, Ely's usefulness to France in Vietnam and indirectly to ourselves will have been seriously compromised, if not finished, by his profound reaction against Diem. Rightly or wrongly Diem and many other Vietnamese consider French flag is nailed to Binh Xuyen masthead. This factor can dangerously jeopardize French influence and position in Free Vietnam in future.

Kidder

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159. Telegram From the Chargé in Vietnam (Kidder) to the Department of State[1]

Saigon, April 30, 1955—midnight.

4956. Ref Deptel 4810.[2] This is Country Team message.

A. Composition proposed new Cabinet.

1. Diem informed Chargé afternoon April 30 that political events of previous day had changed Diem's plans concerning announcement new Cabinet (Embtel 4951[3]). These events were decision of Cao Dai Generals Phoung and Trinh Minh The, Hoa Hao General Nguyen Giac Ngo and leaders various political groups to:

A. Constitute themselves into new political front;
B. Denounce and repudiate Bao Dai as Chief of State;

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[1] Source: Department of State, Central Files, 751G.00/4–3055. Secret; Niact.

[2] In this telegram, sent niact to Saigon at 6:39 p.m. Washington time, April 29, the Department requested an "Embassy and Country Team evaluation situation soonest to arrive Washington Sunday morning [May 1] at latest our time if possible. Comment on a) composition purported new Cabinet b) loyalty army to government and effect of Bao Dai's naming Vy c) military situation Saigon–Cholon and countryside d) Binh Xuyen forces whereabouts strength and supplies e) Government political position, f) supply position National Army g) any rallying or defections either side." (*Ibid.*, 751G.00/4–2955)

[3] Dated April 30, not printed. (*Ibid.*, 751G.00/4–3055)

C. Call for dissolution Diem govt on grounds it had been appointed by Bao Dai; and

D. Call on Diem constitute provisional govt leading to general elections and National Assembly which would set up new govt. We had earlier understood Diem intended announced new Cabinet April 30. He now feels list is not sufficiently representative and says he will revise it.

2. Previous tentative Cabinet list (Embtel 4955[4]) gives us helpful indication, however, lines of thinking being followed by Diem, and we can comment tentatively and in general terms on that.

3. Proposed Cabinet list, now presumably discarded, indicated Diem's appreciation of necessity balance his own apparent desire create technician Cabinet whose members would be non-political and in harmony with his own views, with political requirement he give recognition in form of Cabinet posts to representatives groups supporting him. Posts of Information, Labor, Agriculture and Veterans Affairs among those reserved for Cao Dai, Hoa Hao and National Resistance Front. Technicians, many of whom are known to us, were in general technically competent and devoted nationalists. Fact that these men would accept posts in Diem govt at this time instead of seeking or retaining secure and renumerative positions speaks well for them as being devoted to their country. They are generally men of worth and not opportunists.

4. Specific comment on new Cabinet will have to await availability revised list.

B. Loyalty army to government and effect of Bao Dai's naming Vy.

1. General Staff and senior Vietnamese Army commanders currently confused over legalities of situation. However, army is and will remain loyal to legal government unless forced to make political choices. If Bao Dai appointment of Vy becomes effective, even with Ty as Chief of Staff, army will be dragged into political arena. Army solidarity depends on retention of status quo or quiet Diem acceptance of dismissal should that eventuate. Worst possible development would be return May 2 of General Hinh as planned by Bao Dai.

2. There is reluctance certain high officers and various sections National Army continue hostilities. Of principal officers in Army at present time we know General Vy is opposed to continuing use of force. We believe Col. Minh, Commander First Military Region, holds same view. Gen. Ty, Chief of Staff, is currently carrying out orders of government and presumably will continue do so as long as question of legal authority is not raised. Col. Don of General Staff

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[4] Dated April 30, not printed. (*Ibid.*)

represents majority thinking in army which believes job must be finished.

C. Military situation Saigon–Cholon and countryside.

Vietnamese Army in control Saigon–Cholon and remainder of country generally except for sect areas and localities to which national government authority does not extend. No indication any popular support for Binh Xuyen. Army as four battalions resting from recent fighting and six additional battalions guarding installations in Cholon. Only important Binh Xuyen elements in Saigon remain in French security area. French have reinforced military units and posted numerous armed guards at all critical points around area.

D. Binh Xuyen forces whereabouts, strength and supplies.

1. Binh Xuyen are still disposed immediately south of Arroyo Chinois. Currently low on ammunition and down to strength of approximately 2,000. Binh Xuyen are believed tired and nearly ready to quit. Some evidence exists of serious dissension within Binh Xuyen ranks. Binh Xuyen may find means to improve supply situation.

E. Government political position.

1. Political position Diem govt had been deteriorating steadily during past weeks. In addition disillusionment many members Diem's Cabinet as to his working methods, deterioration also due largely to apparent inability or unwillingness govt take firm action against defiance its authority by Binh Xuyen and Hoa Hao. Had Diem, however, precipitated violence by initiating use of force against Binh Xuyen, we believe there would have been popular reaction against govt by peace-hungry population.

2. Fact that Binh Xuyen transformed local incident April 28 into major challenge authority of govt by heavily shelling Presidential Palace, however, has given new aspect to situation. As far as we are able to judge, Saigon–Cholon population in general, although lacking enthusiasm either for Diem or for Binh Xuyen, is aware govt must strike back and crush rebels. There seems to be wide-spread hope issue will be settled once and for all.

3. By reacting with force, we believe govt has chosen only feasible course open to it. Wide-spread property destruction and loss of life may eventually cause grievances against govt, but for the moment prestige of govt has taken upturn which will be maintained only if govt presses issue to successful conclusion.

4. Diem's efforts take over police force by transferring Municipal Police to control Prefect Saigon–Cholon March 26, and his subsequent dismissal Binh Xuyen Director General National Police and appointment Colonel Le to that post, were generally regarded as paper efforts, and popular reaction was one of cynical "wait and see". Diem's April 23 appeal met energetic response. By refraining from initiating use of force, however, but by responding vigorously when

attacked, Diem has, by force of circumstance, improved his political position, at least for time being. He presently benefits from fact he is attacking unpopular Binh Xuyen and opinion is wide-spread that in so doing he is defying "colonialist" French. This is giving him at least a temporary strength.

5. Bao Dai's instructions April 28 for Diem to come to Paris with General Ty and to leave General Vy with full military powers, have introduced completely new element in picture. At present moment, Diem is still real head of legal govt of Free Vietnam. As such his action against Binh Xuyen rebels is increasing prestige and strength his govt despite, and perhaps in part because of, French opposition. Should he be dismissed by Bao Dai, however, and choose to refuse dismissal, we believe picture would be completely changed. Bao Dai's new appointee would then be legal head of legal govt of Free Vietnam, and Diem, should he resist, would clearly be in rebellion. We believe he could not count on support more than part of army and population, and there would undoubtedly ensue a civil conflict which would imperil remaining hope saving Free Vietnam.

6. Two further factors which we believe important in current swiftly changing picture are rapidly mounting anti-French feeling on part Vietnamese population on one hand and determined and unreasoning emotional opposition of French to Diem on the other. These factors, considered in connection with appearance in streets within last 24 hours of increasing numbers of French troops in close proximity Vietnamese forces, create dangerous and explosive situation which could easily be exploited by Viet Minh agents.

F. Supply position National Army.

Vietnamese Army reports supply situation satisfactory.

G. Any rallying or defections either side.

Vietnamese Army morale is up as result successful operations. Binh Xuyen reported to have suffered several hundred desertions plus 400 defectors who rallied to govt. Except for 200 "captives" and "sick" remaining 500 of National Police reported to have rallied to newly appointed chief, Colonel Le.[5]

Kidder

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[5] Telegram 4832 to Saigon, May 1, reads in part: "Department much appreciates useful timely country team analysis." (*Ibid.*)

160. Telegram From the Ambassador in France (Dillon) to the Department of State[1]

Paris, April 30, 1955—8 p.m.

4746. For Young from Gibson. Following is second message drafted in Nice April 29 after second interview with Nguyen De and Bao Dai,[2] résumé of which telephoned to Young evening April 29.

1. After receipt Deptel 27 to Nice[3] and word received by telephone from Paris that Amb Dillon had called on Faure pursuant to Deptel 3849[4] (results reported Embtel 4740, Saigon 687[5]), Gibson called on first Nguyen De and then immediately following on Bao Dai.

2. We informed De that Ambassador had seen Faure and reviewed with him important aspects France–U.S. policy Vietnam. We referred to necessity that Bao Dai, as well as French, give full support to legally constituted Govt. Vietnam.

3. We then had general review with De in course of which we made point to him given to us over telephone from Washington. We emphasized that any further steps toward solution Vietnam crisis must be made on initiative Vietnamese nationalists themselves. We emphasized U.S. view that present govt. as legally constituted govt. must be supported as long as it remains such and that urgent problem is to deal with present civil war and not question of form of any new govt.

4. De agreed fully with our remarks pointing out that Bao Dai's decisions of previous day were in keeping with these principles. He had made clear to Diem in summoning him to Cannes before other Vietnamese and in sending personal plane to fetch him that his status as Prime Minister remained unaltered. Bao Dai regarded present crisis as being in two phases: First, to bring about end of present civil war and second, to deal with question of governmental

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[1] Source: Department of State, Central Files, 751G.00/4–3055. Top Secret; Niact. Repeated for information to Saigon. Printed also in *United States–Vietnam Relations, 1945–1967,* Book 10, pp. 948–954.

[2] In the first message, telegram 4743 from Paris, April 30, Gibson reported on his first interview with Bao Dai on April 28 in which he had failed to persuade the Vietnamese monarch not to take action against Diem until the Department finished its deliberations on Vietnam and Collins returned to Saigon. Bao Dai was adamant that he must remove from Diem emergency powers making him commander in chief of the army. (Department of State, Central Files, 751G.00/4–3055)

[3] In this telegram to the American Consulate at Nice, April 28, the Department instructed Gibson to emphasize to Bao Dai that the United States desired that he take no action against Diem until Collins returned to Saigon to review the situation with Ely. (*Ibid.,* 751G.00/4–2855)

[4] Document 149.

[5] See footnote 2, Document 154.

reform. First would have to be settled now, second could be dealt with later.

5. Thenceforth, and in conversation immediately following with Bao Dai interview concerned with Bao Dai's observations on how to put end civil war rather than any questions alternate govt. or other aspects Bao Dai "plan".

6. Bao Dai stated in strong terms he wished U.S. to take immediate steps persuade Diem to come to France to receive Vietnamese leaders with him and discuss means ending present crisis. He stated that correctly or incorrectly Diem has claimed that he has had U.S. support in steps he has taken during last few weeks which have led to present bloodshed. He violated truce and at least his brothers if not he himself claimed that he did so with at least passive U.S. support. It was already being said, Bao Dai claimed, that U.S. had "by its refusal to countenance any action but blind support for Diem allowed present abcess to fester until it had burst in form present civil war and that U.S. had purposely done this in hope Diem would take armed action. This action had resulted in deaths of hundreds of innocent people and waste of national force needed to fight Communism. U.S. inaction could no longer be admitted".

7. All of this we denied, pointing out again that General Collins and Embassy Saigon have consistently urged restraint on govt. Bao Dai continued, stating that U.S. responsibility in present situation was heavy. He had put off taking action he had wished to take which might have served to avoid present bloodshed at U.S. request. On two successive days U.S. had asked him to refrain from taking decisive action on excuse Washington was studying problem with General Collins there and would have something to say shortly. On April 26 and 27 Bao Dai had agreed to our requests and had not taken action which his judgment indicated was necessary. On April 28 he was forced to take matters into his own hands despite third successive request delivered in Cannes on April 28 after shooting had already started. In his opinion if he had acted last week hundreds of lives would have been saved. If U.S. was really neutral in matter it must take steps to avoid giving opposite impression he added. Moreover, if U.S. did not wish to stand by and watch state of civil war established in Vietnam, which would last until Vietminh won complete control, we must help in bringing an end to that civil war. Way to do this is to influence Diem to lay down arms and come to France to consult with other Vietnamese anti-Communist nationalists. Moment he does, opposite side will lay down their arms, he claimed.

8. Bao Dai alleged that resistance to Diem is so universal in Vietnam that support of Diem was serving discredit U.S. in eyes of Vietnamese people. Diem will undoubtedly succeed in driving sects

out of Saigon or at least in suppressing military forces there but they will simply go to provinces where Diem has no control.

9. In Bao Dai's opinion Diem has now become a psychopath who wishes to martyrize himself even at price of thousands of lives and national treasury. He enjoys thought that his life is in danger and would welcome martyrdom which is indeed what he will get, said Bao Dai, for feeling is so intense against him that someone is bound to assassinate him in near future if he persists in trying to establish his rule by force "with the support of no one but his own family and the U.S.", Bao Dai said.

10. Bao Dai spoke of Diem's role as a Catholic, stating that latter regarded his task as leading a holy war. Instead of doing that, he had turned Vietnamese against Catholicism. Bao Dai said his wife's own family had been Catholic for generations and now reported it was unsafe to go outside Saigon if you were known to be a Catholic because of the enmity against Diem.

11. We referred to Diem's refusal to obey Bao Dai's summons. Bao Dai stated that it did not surprise him. He had expected it and, in a sense, welcomed it as it might serve to clear the air and prove to people that Diem is not acting as servant of the state as he claimed but rather as a self-seeking War Lord who wished to eradicate all opposition and hold total power within his own hands and that of his family. Bao Dai would stake his influence with people and Vietnamese nationalists against Diem's.

12. We asked what Bao Dai intended to do if Diem continues to disobey his orders. Bao Dai stated he would take legal steps to have him declared a rebel and would then proceed to unite the country against him until he was removed from position he was usurping. We asked Bao Dai if he intended to do this in person and if so, would it mean a prompt return to Saigon. He answered that it meant that he might return to Saigon in the near future to lead the fight but that would be dependent on the allegiance of the National Army. Moreover he would take no such step without consulting Vietnamese leaders, whom he had summoned to France next week in advance.

13. We asked what effect Diem's refusal to obey his orders would have on arrival in France of other Vietnamese personalities. Bao Dai said he hoped that they would all come as it was now more essential than ever that they be consulted in order that country could now achieve the unity Diem had failed to achieve. We asked for a list of those invited and it was supplied (being cabled separately[6]). It

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[6] Transmitted in telegram 4745 from Paris, April 30, which reads as follows:

"List of personalities called Cannes for consultation by Bao Dai as released to press by Bao Dai's Cabinet and published in *Nice-Matin* this morning follows: Cao Dai Pope Pham Cong Tac, Pres of Supreme Praesidium United Sect Front; Gen Tran Van

Continued

is noted that contrary to Bao Dai's first statement April 28 sects have now been invited and all former Prime Ministers except Tam are included, Quat and Do as well. Bishop Le Huu Tu has been invited but it is not certain he can come. The list includes Buddhists, Catholics, army reps, trade unionists, peasants, etc. Bao Dai said it was his intention to make representation broad as possible.

14. Bao Dai stated that he had decided on Hinh as special emissary to sects. We pointed out that this decision would come as great shock to American public opinion who looked upon Hinh as rebel against Government. He had had to be removed from Saigon for that reason. It would be interpreted as a sign that Bao Dai was sending Hinh as means upsetting National Army's loyalty to Government. Bao Dai said these were interpretations he could not help and that circumstances no longer permitted him to be influenced by them. Fact was, he said, that Hinh enjoyed most support in Vietnam military circles of any Vietnamese general. He had been removed from Vietnam by Bao Dai at our request in order give Diem free hand in establishing his authority over the army and in reestablishing law and order and a government of natl union. Bao Dai removal of him was best example of extent of effort to give Diem every chance. Diem had consistently failed. Now it was Bao Dai's purpose to end present bloodshed by removing Diem from scene and thus preventing National Army from taking further armed action. At same time, he must make certain that sects would desist from similar armed action. He had already taken steps to accomplish former by decree. Only way he could assure latter was by force his own authority backed up by that of man who had greatest influence. Man was Hinh. Hinh will carry Bao Dai's orders for integration of sect forces into National Army and Bao Dai guarantees sects will obey him and message Hinh carries if Diem is removed from scene.

15. At this stage of interview, Bao Dai became so excited that at times he could barely talk. He said that no man had ever enjoyed powers which Diem had had from very beginning. Bao Dai had transferred all his powers to him. He was fully backed by both France and U.S. He was given large sums of money and his military

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Soai, C-in-C Hoa Hao troops; Gen Bai Vien, Binh Xuyen Chief; Mgr Le Huu Tu, a representative high Buddhist clergy; former PriMins including Tran Van Huu, Gen Nguyen Van Xuan, Prince Buu Loc; Tran Van Do and Ho Thong Minh, former Ministers Diem Govt; Ho Van Nut of Tinh-Thanh political group; Nguyen Ton Hoan and Dr Phan Huy Quat of Dai Viet Party; Dr Phan Van Ngoi of Vietnamese Socialist Party; Tran Van Ly, former Governor Central Annam (a Catholic); Dr Nguyen Xuan Chu, Pres Provisional National Council; Tran Van Tuyen of Quoc Dan Dang Party; and former Cabinet Ministers Nguyen Dac Khe, Nguyen Van Tri, and Nguyen Quoc Dinh; Syndicalist representatives including Nguyen Nhon Ung and a representative of Christian Un On; and two peasant representatives." (Department of State, Central Files, 751G.00/4–3055) forces were clothed, fed and equipped by foreigners. He was constantly helped by foreigners to do things he was incapable of doing himself. General Collins and Ely and Bao Dai had all been in his service. Even Chief of Staff of the Vietnam army was removed from scene because Diem didn't like him. Now things had gone too far and consideration had to be taken of what was best for Vietnamese people and not what was best for Diem and his family. Vietnam was supposedly an independent country; she must therefore make her own decisions. Bao Dai was Chief of State, and intended to carry out his responsibilities as such.

16. We asked what brother Luyen was still doing in Cannes and whether he was serving as intermediary between Bao Dai and Diem. At this point Bao Dai really exploded and stated that brother Luyen had come to Cannes not for any patriotic purpose as "Diem undoubtedly had told Americans in Saigon," but rather on secret mission from Diem to attempt to buy Bao Dai. Some days ago before any action had been taken to summon Diem to France or otherwise Bao Dai said Luyen arrived uninvited in Cannes, Bao Dai kept him waiting and when he finally received him, Luyen offered Bao Dai the sum of three hundred million francs if he would agree not to take any action which would affect status of Diem or prevent him from establishing his authority by force. Bao Dai commented with indignation that, of course he had refused and "thrown Luyen out of the house" but he was still "grovelling" around. He stated that Luyen had made various allegations of his close relations with "Americans" in Saigon.

17. At end of interview Bao Dai asked if we could give him any further word on Washington's reaction to plan submitted week ago. We explained once more that General Collins was leaving Washington that day for Saigon which was sufficient evidence of Washington's recognition of emergency nature of situation there. It was obvious that no decisions would now be reached until General Collins had arrived in Saigon and could confer there with Embassy and Ely. In meanwhile we informed Bao Dai that his observations would be passed to Dept in their entirety.

18. Bao Dai said he would send De back to Paris Monday in order to remain in touch with us and to receive any observations Washington cared to make to him. At same time he would instruct De to keep US au courant.

Dillon

161. Memorandum From the Director of the Office of Philippine and Southeast Asian Affairs (Young) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)[1]

Washington, April 30, 1955.

SUBJECT

Report on Collins Visit and Viet-Nam Situation

1. Collins arrived Thursday, April 21, and left early Friday morning, April 29. He had lunch with the President April 22, saw the Secretary for the first time at a long luncheon meeting April 25. We also met with the Secretary Tuesday, Wednesday and Thursday. We spent all day Friday, April 22, meeting with Collins with Defense and CIA represented. He reiterated even more vigorously and firmly his view, strongly backed by Sturm, that Diem must be replaced and that a plan of action should go into effect immediately. They both favored Quat. None of the questions or alternate considerations expressed by any of us at that or any subsequent meetings changed Collins' view. Monday morning, April 25, we had a working meeting with him at which (a) I proposed basic question, do we or do we not support some political change in Saigon, and (b) a specific plan of change. The reports at that time from Saigon showed Diem was steadily slipping. In the face of the adamant view of Collins and Sturm most of us reluctantly accepted the need for a change, but we all insisted that we stay with Diem at least for the first innings. Collins, and particularly Sturm, rejected our proposition in any shape or form. The basic shift in our approach was taken at a long luncheon meeting with the Secretary. Unfortunately neither Bob Hoey nor I were invited to attend. Bill Sebald can fill you in on this. The Secretary took the position we would support Diem until and unless genuinely Vietnamese elements turned up with another acceptable solution. Collins and Sturm later told the working group this was an impossible condition.

2. The rest of Monday, Tuesday and Wednesday we spent working up two long and complicated telegrams to Paris and Saigon.[2] At a full meeting with the Secretary, Mr. Hoover and Allen Dulles late Tuesday afternoon they were approved. Collins fully endorsed these telegrams after he and Sturm had eliminated our proposal to try again to keep Diem as head of a coalition government. These telegrams envisaged a gradual and rather complicated shift of

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[1] Source: Department of State, Central Files, 751G.00/4–3055. Top Secret. Also printed in *United States–Vietnam Relations, 1945–1967,* Book 10, pp. 945–947.

[2] Printed as Documents 140 and 141.

our position in carefully worked out stages. As we suspected at the time, they were immediately overtaken by events. None of us really believe in them but we were faced with Collins' strong recommendations and the fact that he had been to the White House the first day after his arrival. In any event, this shift has never been carried out. Although the telegrams were sent to Paris and Saigon, we have put out a stop order holding up action on them indefinitely.[3]

3. Wednesday, April 27, Diem changed the police chiefs and Thursday the Binh Xuyen began military action against the government. Ely and the French have been putting the full blame for this situation on Diem, as they tried to do for the March 29–30 incident. Events have moved very rapidly since then. The national army has seemed to be winning, groups are rallying to Diem, Bao Dai is getting set to fire Diem, and the French have in effect withdrawn their support from Diem. All reports from Saigon indicate there is a revolutionary feeling developing against Bao Dai and the French. Some of this is instigated by the Diem group but some of it may be spontaneous. As of this writing we may be faced with a choice between Diem and Bao Dai. In view of the fighting, we have felt in State it was best to continue support for the government under Diem and see what happens. But as this crisis develops we are being forced to take a more and more unequivocal and strong stand for Diem.

4. Senator Mansfield issued a long statement in support of Diem on April 29.[4] If Diem is forced out, Mansfield would have us stop all aid to Viet-Nam except of a humanitarian nature. Senators Knowland and Humphrey have also backed Diem. A large number of members of the House Foreign Affairs Committee after hearing Collins have informed the Department through Congresswoman Kelly that they would not favor the State Department withdrawing support from Diem. Collins met with the Far East Subcommittee of the Senate Foreign Relations Committee, separately with Senator Mansfield and with about a dozen of the House Committee. While he and Sturm felt these legislators would give no trouble, Sturm informing us after seeing Senator Mansfield that there was nothing to it, Bob Hoey and the rest of us here were much less sanguine about legislative feeling. In fact there are going to be real difficulties on the Hill if Diem is forced out by what appears to be French-Bao Dai action.

5. During the past ten days the French have been quiet with us, but working behind the scene. Kidder reports Ely as almost hysterical. Bao Dai has been active, as he has submitted one plan to us and has also taken another action publicly. Both of these are almost iden-

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[3] See Document 144.

[4] For a report on Mansfield's statement, see *The New York Times*, April 30, 1955, "U.S. Reiterates Vietnam Backing".

tical with plans or ideas which French officials had submitted to us several weeks ago. If there were any notion that Bao Dai acts independently of the French and Ely, that should now be dispelled. However, Prime Minister Faure has indicated to Dillon that he has no stomach for going off independently of the US in Free Viet-Nam. They will follow our lead even though they don't like the idea, providing the situation is not so bad in Saigon that they have to move out French military and civilian personnel. We have asked for pretty fundamental reassurances on basic French intentions in Viet-Nam, we got them orally for whatever they may be worth.

6. We are in a bewildering, fluid situation. I believe more strongly than ever that we should stick with Diem now. Collins says he is a terrible administrator and it will wreck Free Viet-Nam if we leave him in. That may be true but that is not the issue at present. If Diem can lead the nationalist forces to a conclusive settlement, even to the point of rendering Bao Dai ineffective or annulled, we should continue to support him. The key questions are:

a) Will the Vietnamese National Army as a group stick with Diem?
b) Will the Binh Xuyen be broken up into isolated remnants?
c) Will enough nationalist groups including sect leaders rally to the government even against Bao Dai?
d) Will Bao Dai fire Diem, even if the answers to the above three questions are clearly enough in the affirmative?

What I am afraid of is that the combination of continuing forces coalesced around Diem on the one hand and Bao Dai on the other may not enjoy preponderant strength.

7. There are possibly serious anti-French overtones in the Vietnamese political situation. These also include anti-Bao Dai feelings. We must not take any action which would tar us with the same accusations. General O'Daniel, our three Attachés, and Lansdale informed us on April 30th that "any change in leadership or command at this time could result in chaos".[5]

8. There are some personal aspects that I would like to take up with you privately.

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[5] See Document 156.

162. Telegram From the Secretary of State to the Embassy in France[1]

Washington, April 30, 1955—[illegible] p.m.

3888. Embassy Paris should as soon as possible, either through Nguyen De or by sending representative to Cannes, inform Bao Dai as follows.

We have considered Bao Dai's request (which we received through Gibson) that we urge Diem to come to Cannes.

We are unable now accede to this request.

Bao Dai should understand that American opinion is increasingly opposed to removal of Diem particularly at this juncture. If Diem is now removed and another less nationalistic government formed Bao Dai should be fully aware beforehand of the probable reactions here on continuation American aid. Senator Mansfield's statement (which Embassy Paris has) is clear evidence this position. *End of message.*

Embassy Paris inform Foreign Office concurrently.

Saigon inform General Ely and British Ambassador that above being sent Bao Dai.

London inform Foreign Office.

Dulles

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[1] Source: Department of State, Central Files, 751G.00/4–3055. Top Secret; Niact; Limited Distribution. Also sent niact to Saigon as telegram 4826; also sent to London and to Guam for General Collins en route back to Saigon. Drafted by Hoey, cleared by Dulles and in substance by Bowie, and approved by Sebald.

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163. Telegram From the Chargé in Vietnam (Kidder) to the Department of State[1]

Saigon, May 1, 1955—11 p.m.

4988. Department's telegram to Saigon 4826, Paris 3888, London 5597.[2]

1. At 1337 May 1 I called on Ely to deliver message contained reference telegram. Knowing bitterness with which Ely regards Diem, I had thought it might be better deliver message to De Rougemont and not again incite Ely's anger but De Rougemont not available. In

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[1] Source: Department of State, Central Files, 751G.00/5–155. Secret; Niact. Repeated for information to Paris niact and to London.

[2] *Supra.*

talking with Ely, I found my worst fears fully justified. Not giving me opportunity explain why I had asked see him, he inquired whether I had seen Diem and what Diem had said. I outlined to Ely Diem's account of the events of April 30 and morning May 1 (Embassy telegrams 4957[3] and 4951[4]) and Diem's apprehension regarding possibility of trouble between French and Vietnamese. I said Diem particularly feared continued presence armed Binh Xuyen units in French security zone creates potentially explosive situation.

2. Upon my mentioning possibility of trouble between French and Vietnamese, Ely immediately launched upon what can only be described as violent tirade. He said it obvious Diem had called me in for express purpose of warning me against possibility of trouble and I would be naive if I did not realize this meant that Diem was planning trouble and covering himself in advance. Pointing his finger at me and speaking with extreme severity Ely said that as representative of the only country which could have any influence on Diem I should immediately go to Diem and tell him that if any trouble should occur tonight, responsiblity would be solely Diem's. I protested that Diem himself had told me he feared incidents with French and that they must be prevented at all costs. If I should then go to him and tell him he would be responsible for any trouble that might take place I would to all intents and purposes be calling him a liar. Ely's reply was, "He is a liar and you should tell him exactly that." I replied I shared both Ely's and Diem's apprehension. I said I would see Diem and would, after referring to Diem's apprehensions, urge Diem take every possible action, including public appeal for calm and issuance of orders to his soldiers to avoid any action which might provoke incidents. I said, however, I would not and could not tell Diem in advance of any incident that such incident was his full responsibility or that he was lying. Ely's only reply was to reiterate his previous statement with great vehemence.

3. Ely asked me if I realized depths to which Diem going in spreading lies about French. I told him I was aware of extent of anti-French propaganda but that I did not know who was responsible for it but did not believe that Diem himself was. Ely is convinced that, if Diem himself is not responsible, at least someone close to him is. (*Comment:* This is doubtless true.) He showed me copy of tract issued by "Les Nationalistes Militaires de la Juste Cause Nationale", which states in part, "French colonialists go home. French military have been found on side Binh Xuyen pirates fighting against Vietnamese National Army. Stop your double game which consists of holding hand with Viet Minh in north and passing yourself off officially as

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[3] Dated May 1, not printed. (Department of State, Central Files, 751G.00/5–155)
[4] Dated April 30, not printed. (*Ibid.*, 751G.00/4–3055)

friends of Vietnamese nationalists in south . . . Vietnamese Army has nothing to fear from those who lost battle of Dien Bien Phu . . .[5]"

4. *Comment:* It is quite understandable that man of such strict honor as Ely has become enraged and, in my judgment, has become so personally and emotionally involved that the more unrestrained of his comments must be taken with a certain reserve. His personal sense of insult, added to extremely grave responsibility resting on his shoulders, makes dealing with him delicate matter.

5. Ely became extremely bitter and commented that he had thought our governments were following joint policy. I felt obligated at that juncture to affirm that I am under instructions to do everything I can to cooperate with French in joint policy, objective of which is support of legal government of Vietnam of which head is Diem but that I must point out in all frankness that our government continues to support Diem whereas French do not. Here, I said, is basic divergence in policy. Ely must realize, I added, that in addition to my responsibility for close cooperation with French, a policy I fully approve of and to which I have consistently given my best support, I was also under obligation to support Diem Government. I reiterated that I could not do as Ely requested. Ely retorted in some anger that there is involved more than a question of incidents which he expects Diem to instigate during coming night, with danger not only to French lives but to American. Protection of interests of free world and the fight against communism is at stake. If present situation is allowed continue, he said, Viet Minh will have control of Saigon in matter of days. He said French have proof Viet Minh play important role in revolutionary committee and have infiltrated Diem's entourage. In interest free world I was under obligation, he said, go beyond any instructions I may have.

6. Van Laethem, who was with Ely during entire interview and joined in extreme pressure on me, then stated, speaking vehemently, that all this bloodshed could have been avoided if US had taken some action to find political solution in concert with French three or four weeks ago after French decided impossible work any further with Diem. Ely commented that he had thought we had had joint policy when Collins left for Washington, as he and Collins had then agreed Diem must go. I told Ely and Van Laethem that I could not accept what appeared to me to be their attempt saddle US with full responsibility for present situation and that they must have misunderstood Ambassador Collins' position. I said that Collins had agreed with Ely that situation extremely serious, that Diem prestige and position had been deteriorating rapidly, that our support of Diem must

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[5] Ellipses in the source text.

be reviewed and alternate solutions thoroughly canvassed. I pointed out that at end of last interview with Ely prior Collins' departure, Collins had carefully reiterated that he had no authority state that our position with regard to support of Diem had changed as that was not the case. At this point I delivered message contained Department telegram 4826. Ely so concerned about possibility incidents between French and Vietnamese he seemed scarcely take in message. He did however comment bitterly on influence of people like Senator Mansfield. I do not believe Ely has any concept of public opinion in US as it affects Diem problem. I have attempted remedy this failing.

7. I decided it was time break up interview but before I departed Ely restated very emphatically that I must realize the very grave responsibility resting on my shoulders as representative in Vietnam of US and that if I did not do as he, Ely, had suggested, responsibility for what might happen during coming night would be mine. I replied again that I could not accept any such statement but that in our common interest I would see Diem and talk with him along lines I had outlined earlier in our talk.

8. During my conversation with Diem, reported Embassy telegram 4984,[6] I did exactly what I had committed myself to Ely to do. I told Diem that, worried by what he had said regarding his fears of trouble with French, I had gone directly to Ely and that I could assure him, Diem, that Ely was taking all possible precautions avoid incidents and that I hoped Diem was acting similarly. Trouble between French and Vietnamese could redound only to advantage of Viet Minh and would have serious, if not tragic, effects on position of not only France and Vietnam, but US in Free Vietnam. I suggested that Diem issue explicit orders to all troops to take special precautions avoid any actions which might provoke trouble and that he might consider issuing general appeal to people explaining necessity avoid incidents. Diem replied that it might be worthwhile if he and French could get together on some type declaration. I asked if he had been in touch with French regarding this problem. When he said he had not, I urged him make contact with French as soon as possible, pointing out that when both sides are apprehensive, frictions may occur much more easily when there has been a failure both sides discuss their mutual problem and seek joint solution.

9. After talk with Diem I requested De Rougemont to call, as I did not wish again become involved in fruitless polemic with Ely. I told De Rougemont what had transpired and suggested that if Diem, already preoccupied by numerous other problems, did not get in touch with French that French themselves should take initiative and

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[6] Dated May 1, not printed. (Department of State, Central Files, 751G.00/5–155)

that I thought they had responsibility so to do. De Rougemont said he would transmit my information and suggestions to Ely.

10. Following my talk with Ely and before my conversation with Diem, reported above, British Ambassador Stephenson and Australian Minister McNicol called. After I had left Ely, latter had called in Stephenson and had outlined to him something of his conversation with me. Stephenson and McNicol, fully realizing importance of problem, wished discuss with me possible approach to Diem. Their suggestions were definitely helpful to me in subsequent talk with Diem and both of them agreed with me in my suggested approach. Stephenson had already been apprised of contents of Department telegram to Saigon 4826 and I gave McNicol gist of message, as he has been consistently extremely helpful throughout current crisis.

11. I should like add my deep appreciation thoughtfulness and support expressed Department telegram 4822.[7]

Kidder

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[7] Dated April 30, this telegram reads as follows: "Department commends you for your cool and capable handling of delicate situation under tense and critical conditions. We are particularly impressed with your stand taken in your 4929 repeated Paris 1272. We also appreciate your clear and timely reporting of fast-moving events." (*Ibid.*, 123 Kidder, Randolph A.) For telegram 4929, see Document 153.

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164. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, May 1, 1955—2:10 p.m.

4831. To Collins from Secretary.

1. Events in past few days have put Vietnamese situation in broader and different perspective than when you were here. It is now no longer simply a question of whether and under what conditions Diem Government should be altered. In the US and the world at large Diem rightly or wrongly is becoming symbol of Vietnamese nationalism struggling against French colonialism and corrupt backward elements. Rightly or wrongly Bao Dai by his recent measures gives the appearance of acting in league with these forces and Diem is emerging as popular hero here.

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[1] Source: Department of State, Central Files, 751G.00/5–155. Top Secret; Niact. Drafted by Young and cleared in draft with Bowie, MacArthur, and Dulles. Repeated for information priority to Paris and London.

2. Since your departure US public and Congressional opinion, in view of Diem's apparent success in the current military and political battle, is now even less likely than before to support or countenance a removal of Diem forced from without. There is increasing Congressional support for Senator Mansfield's views with which you are already familiar.

3. For us at this time to participate in a scheme to remove Diem would not only be domestically impractical but highly detrimental our prestige in Asia. Reported developments, if confirmed and if followed through to a successful conclusion, would appear to overtake some of the principal reasons previously advanced for US to support Diem's removal.

4. In this situation we believe that indigenous and nationalist political forces in Saigon and Vietnam should be allowed to work out a solution. It may transpire that a broad-based and acceptable government with or without Diem will evolve out of present crisis. We do not desire to support measures tending to undercut government elements.

5. Accordingly we believe you should at this juncture:

(a) Indicate that US supporting Diem Government to maintain its authority and to restore law and order.

(b) Counsel Diem continue policy of restraint and moderation toward French.

(c) Urge Ely not take measures which prejudice position Diem Government and national army and caution Ely that US would deplore any military or logistical intervention French forces against Diem Government.

(d) Without French restraint we doubt US counsel to Diem (under (b) above) could be effective.

6. I recognize that in such a fast-moving situation there may develop factors of which we are unaware here. I will be looking forward to your analyses and continuing recommendations.

7. Paris and London pass substance to French and British authorities.

Dulles

165. Special National Intelligence Estimate[1]

SNIE 63.1–2/1–55 *Washington, May 2, 1955.*

THE CURRENT SAIGON CRISIS[2]

The Problem

To assess the implications of recent developments in Saigon and to estimate the probable actions of interested parties in the current crisis.

The Estimate

Implications of Current Developments in Saigon

1. The success of Premier Diem in operations against the Binh Xuyen, and in his stand against Bao Dai, the French, and General Vy, has created a new and potentially revolutionary situation in Vietnam. While the situation in Vietnam is extremely fluid, Diem appears to hold the initiative in the phase that is about to begin. In this phase, the interested parties—particularly the French and Bao Dai—will have to adapt themselves to a radically new political situation dominated by Diem or by more extreme nationalist elements. If they do not adapt and if there are any substantial efforts by Bao Dai or the

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[1] Source: Department of State, INR–NIE Files. Secret. This SNIE is also printed in *United States–Vietnam Relations, 1945–1967,* Book 10, pp. 955–958.

Special National Intelligence Estimates (SNIEs) were drafted by officers from those agencies represented on the Intelligence Advisory Committee (IAC), discussed and revised by interdepartmental working groups, coordinated by the Office of National Estimates of the CIA, approved by the IAC, and circulated under the aegis of the CIA to the President, appropriate officers of Cabinet level, and the National Security Council. The Department of State provided all political and some economic sections of SNIEs.

The following excerpt from a telephone conversation between Allen and John Foster Dulles, April 25, relates to the drafting of this SNIE:

"AWD said he just finished the estimate on Vietnam. There is pretty much agreement. The Sec. asked how urgent it is. AWD said it is not a matter of days but he does not think we can wait many weeks. The Sec. said the British came in today to say they think it more urgent than we seem to feel. AWD said we can't do something half-baked. If we have a good solution, put it through quickly. Diem is losing strength all the time. AWD said he will get the estimate over." (Eisenhower Library, Dulles Papers, General Telephone Conversations)

[2] According to a note on the cover sheet, the intelligence organizations of the Departments of State, the Army, the Navy, and the Joint Staff participated with the CIA in the preparation of this estimate. All members of the IAC concurred with this estimate, with the exception of the Atomic Energy Commission and the Federal Bureau of Investigation which abstained on the grounds that the subject was outside their jurisdiction.

French to frustrate Diem's government, the chances of anti-French violence and the deposal of Bao Dai would be greatly increased.

2. Diem's relations with the Revolutionary Council[3] which has been actively injecting itself into this situation have not yet been clarified. This council, designated by a self-appointed assembly, takes a more extreme position than Diem, particularly in regard to the withdrawal of French forces and the immediate deposal of Bao Dai. It is dominated by Cao Dai Generals Trinh Minh The and Nguyen Thanh Phuong and by Hoa Hao General Ngo and includes a number of extreme nationalist politicians. General Ely now charges that the Council is Communist infiltrated but so far has not produced evidence to substantiate this charge. We have no significant evidence to indicate that any of the members of the Council are Communist. In a proclamation the Council announced a broad program couched in social revolutionary terms but including a denunciation of "red colonialism" in North Vietnam. Its activities have been denounced by the Communist radio in Hanoi as have those of Premier Diem.

Probable Courses of Action of Interested Parties

3. *Premier Diem.* The virtual expulsion of the Binh Xuyen from Saigon–Cholon has increased Diem's prestige throughout Vietnam. The confidence of Diem and his supporters in their own strength, judgment, and popular appeal has been considerably enhanced. In this situation, Diem will almost certainly continue to resist any efforts to remove him from office.

4. His actions and those of his followers have taken on an increasingly nationalistic, anti-French tone over the past few days and Diem may now be convinced that a continuation of this anti-French policy is essential to the rallying of popular support. Nevertheless, he has exercised a moderating influence on the anti-French and anti-Bao Dai position of the Revolutionary Council. However, if he believed the French were continuing their efforts to depose him, he would almost certainly permit intensified anti-French manifestations. Such a course would carry grave dangers of anti-French violence, particularly in Saigon.

5. So far, Diem and his principal Vietnamese National Army (VNA) leaders have appeared desirous of maintaining good relations with the French. Diem's attitude toward Bao Dai has been less clear and there have been indications that he has been considering the

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[3] On April 30, a gathering of 200 people met in the Saigon Town Hall and constituted themselves the "General Assembly of the democratic and revolutionary forces of the nation". They called for Bao Dai's abdication, a new government under Diem, withdrawal of the FEC, and elections for a national assembly. The General Assembly elected a "Revolutionary Committee" of 33 members who immediately went to Diem to submit their demands.

suggestions of the Council that Bao Dai be deposed. He may be using ultranationalism to bring pressure against Bao Dai and the French. If he is thwarted in his objectives by the French or by Bao Dai, he will become more susceptible to pressures toward extreme action.

6. Diem has rallied additional support during the current military phase, and from this position of strength, Diem will almost certainly continue to gain adherents, including defections from among the Binh Xuyen and the sects.

7. *The Vietnamese National Army.* Aside from the French Army, only the VNA presently has the capability to enforce Bao Dai's authority in Saigon or to back Diem in defiance of Bao Dai. There are some VNA officers who dislike Diem and who are concerned by the developing rift between Diem and Bao Dai. On the other hand, there is considerable pro-Diem, nationalist sentiment in the army; Diem has gained additional support as a result of clearing the Binh Xuyen from Saigon; and most importantly, the VNA units in the Saigon area appear to be loyal to Diem.

8. If Diem should move precipitously to depose Bao Dai, or if Bao Dai attempted to oust Diem, some elements of the army might remain loyal to Bao Dai and attempt to overthrow Diem. We believe such efforts would be unsuccessful, however, even if General Hinh had entered the country to rally support for Bao Dai.

9. *Bao Dai.* As a result of Diem's stand against Bao Dai and because of the latter's involvement in what many Vietnamese nationalists consider to be a French-inspired political maneuver, Bao Dai's prestige has been greatly reduced, whatever the outcome of the present crisis. Bao Dai's authority can only be enforced at this juncture by the force of French arms and any such action would almost completely discredit him in Vietnam.

10. There appears to be considerable sentiment for the deposal of Bao Dai, and if Diem gives his consent such action may be taken at any time. For the present, Bao Dai apparently feels that the tide is running with Diem, and is attempting to preserve the institution of the monarchy by accepting the continuation of the Diem government.

11. *The French Government.* The French will find it difficult to accept Diem's success which came despite their strong and well-publicized opposition. We believe that fear of large-scale violence and of adverse domestic and world reactions will cause the French to refrain from overt action in Saigon to restrain the VNA or to remove Diem, unless the situation should threaten serious loss of French lives. However, the extent to which the French permit the VNA freedom of action and the nature of their dealings with the Binh Xuyen and Bao Dai can still have an influence on the outcome of the immediate

situation. Furthermore, we believe that the French will continue pressures for Diem's removal; some French elements in Vietnam are likely to continue their covert assistance to Diem's enemies. If the French believe that Diem will succeed in consolidating his position, they may decide that they have no choice except to repair their position with Diem as best they can while making plans for accelerated withdrawal of their forces.[4]

12. *The Binh Xuyen.* The military potential of the Binh Xuyen will depend on the extent of support they receive, directly or indirectly, from the French and the Hoa Hao. It appears that the morale of the Binh Xuyen troops is low, a number have already defected, and that many of the troops may be susceptible to peace offers from the government. We believe that a considerable number of the Binh Xuyen may attempt to resume their life of piracy and extortion. The VNA should be able to reduce the Binh Xuyen to the level of local nuisance.

13. *The Sects.* We believe that for the immediate future the Cao Dai military forces under Generals The and Phuong will continue actively to support Diem against the Binh Xuyen and Bao Dai. The Hoa Hao are unlikely to play an important role in the immediate situation, although the Ba Cut forces may continue their terrorist operations.

14. *The Viet Minh.* The Viet Minh probably fear that Diem's continuation in office would limit the prospects of a peaceful unification of Vietnam under terms favorable to the Communists. They will probably continue covert efforts in South Vietnam to keep the situation agitated. The Communists almost certainly will not invade South Vietnam in the near future.

General Outlook

15. In present circumstances, we do not believe that Diem could be persuaded voluntarily to resign. If he were forced from office, many of Diem's followers would probably undertake revolutionary opposition, including maquis resistance, to the successor regime. Some VNA elements in Saigon and in central Vietnam would probably join these elements in resisting the new government.

16. Assuming that the US continues to support Diem, and that the French acquiesce, we believe the situation will stabilize in Saigon

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[4] The Special Assistant, Intelligence, Department of State, believes that the last sentence of this paragraph understates the difficulty the French would have in accommodating to a strong, anti-French government in South Vietnam, and therefore believes the sentence should read: "If these efforts are unsuccessful and Diem appeared to be consolidating his position, the French in the end may decide that they have no choice except to step up the withdrawal of their forces from Vietnam." [Footnote in the source text.]

under Diem's control. Diem's talents as an administrator are unlikely to improve. His success, achieved largely on his own initiative and with his own resources, is likely to make him more independent and less amenable to policy guidance. Diem's government will still be confronted with manifold internal problems—e.g., integration of the sects, resettlement of refugees, land reform, extension of government authority in the provinces, and training of the army. Although Diem has improved his position, we believe that it will still be extremely difficult, at best, for Diem or any Vietnamese government to build sufficient strength to meet the long-range challenge of the Communists.

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166. Memorandum of a Conversation, Saigon, May 3, 1955[1]

PARTICIPANTS

Malcolm MacDonald, High Commissoner for UK in Southeast Asia
Ambassador Stephenson, UK
Ambassador Collins
Randolph A. Kidder

SUBJECT

Conversation on Current Political Problems

1. Mr. MacDonald opened the conversation by referring to the Revolutionary Committee of the People of Vietnam which has issued a proclamation stating that it no longer recognizes Bao Dai, advocating that Diem turn over his powers to the Committee and then undertake to form a new government. Cao Dai Generals Trinh Minh The and Phuong are prominent in this group.

2. MacDonald said that the British Embassy has had a study made of the composition and political sentiments of the members of this group. They have feared Viet Minh infiltration. So far they have turned out the name of only one person they believe to be a Viet Minh—Pho. There is another, Thanh, head of the Legal Association, who is questionable, both, I gather, as to membership in the Committee and as to Viet Minh affiliations. Ambassador Collins said we likewise were making a study on the subject and that Americans and British should coordinate their activities. He outlined to MacDonald Ely's apprehension regarding the Committee and particularly Trinh Minh The.

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[1] Source: Collins Papers, Vietnam File, Series VII, K. Secret. Drafted by Kidder.

3. MacDonald said he had talked with Diem and had urged him to attempt to maintain best possible relations with all groups with a view to forming a broader based government of national union. Diem told MacDonald that Bao Dai had been insulting to him in his messages and talked about the National Front. MacDonald got the impression that Diem would like to see Bao Dai deposed but he would not say so directly. Ambassador Collins commented that the Revolutionary Committee represents nobody except its members and that only an elected National Assembly could be in a position to express the national will with regard to Bao Dai. Ambassador Collins said that we must look ahead and ask ourselves whether Diem with all his well-known failings could be expected to be able to run a government any more efficiently than he had in the past. Until there is a National Assembly the removal of Bao Dai has great potential danger.

4. MacDonald, who has always been one of Bao Dai's most stalwart champions, said Bao Dai has lost much ground even in the last week, that through his recent blunders he has "shot his bolt" for the time being, but we should hope that he will not be overthrown as he may still be useful.

5. Ambassador Collins outlined to MacDonald the present United States position as reflected in Deptel 4831.[2] He also outlined to MacDonald the attempts he had made prior to his return to Washington to synthesize various Vietnamese proposals starting with that of Thoai for the establishment of an interim government pending compilation [*completion*?] of a partially-elected assembly.

6. Reference was made to the conciliatory nature of Bao Dai's last message to Diem,[3] copy of which none of us has yet seen. Stephenson said that the radio this morning reported that Bao Dai intended to return to Vietnam when order has been restored.

7. As MacDonald is seeing Ely again this afternoon, the problem of what he should emphasize to Ely was discussed. It was agreed that he should urge Ely to find some method by which the three Binh Xuyen posts in the French Security Zone might be evacuated, and that he might further suggest that if the French consider it still necessary to maintain liaison with Binh Xuyen they should at least explain the nature of this liaison to the Vietnamese and limit the number of men involved.

8. MacDonald said he had seen Quat this morning. Quat, with his group of intellectuals, is preparing a program which they intend to announce after talking with the French, British and ourselves. The program will recommend (1) that Diem return his powers to Bao Dai

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[2] Document 164.

[3] Not found.

from whom he received them, and (2) that Bao Dai return to Vietnam to form a new government. After discussion of the Quat program, MacDonald agreed that Ambassador Collins should discourage Quat. MacDonald told Ambassador Collins that the latter could so inform Quat.[4]

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[4] No memorandum has been found of a subsequent conversation between Collins and Quat.

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167. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, May 3, 1955—7 p.m.

5030. Ref Paris tel 4767, repeated Saigon 697.[2]

1. Since my arrival Saigon I have reviewed all messages sent Dept in my absence and have discussed events past week with all US agency chiefs.

2. I am convinced that Kidder has conducted himself extremely well during my absence, not only did he follow American policy, but he showed judgment and restraint in discussions with Ely and Van Laethem. Kidder confirms that he made no such statement as attributed to him by Ely, though he did point out differences in our point of view as to support of Diem. Conversation this morning with Ambassador Stephenson confirms fact that Ely was highly excited and emotional during this period.

3. Ely was completely calm yesterday during our discussion, but did make one slight reference to Kidder, who was present. I immediately stated that Kidder had done no more nor less than I would have done, and that I fully supported his actions. Ely did not press the point, but Van Laethem became so satirical in answering my questions with respect to "proof" of alleged Viet Minh penetration into Diem entourage, that I had to speak rather sharply to him.

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[1] Source: Department of State, Central Files, 751G.00/5–355. Top Secret; Priority.

[2] In this telegram, May 2, the Embassy in Paris reported that Berard had read to Achilles excerpts from a telegram from Ely quoting Kidder as stating that Franco-American cooperation in Saigon was no longer possible. Berard expressed deep concern with Kidder's attitude and with the activities of Lansdale. Berard charged that Kidder, and particularly Lansdale, had not merely failed to try to restrain Diem, but had encouraged him to take armed action. Achilles doubted, according to the reporting telegram, whether Kidder and Lansdale would have encouraged Diem. (*Ibid.*, 751G.00/5–255)

4. French have sniped at Lansdale ever since I have been here. I have consistently defended him and will continue to do so. He has performed a highly useful service and has definitely been a restraining influence not only on Diem but on such characters as Trinh Minh The, who has a strong anti-French bias. We must maintain contact with people like The, and Lansdale is our best agent for this purpose.

5. This attitude of Berard's, which reflects Ely's irritation with US policy towards Diem, is one of the most disturbing developments which has transpired during the current crisis.[3] At my weekly staff meeting this morning I was somewhat shocked at the strong anti-French feeling among the staff officers present as a result of incidents of the past week. I am studying this situation, as well as the widening breach between the Vietnamese and the French, in an attempt to determine what can be done by ourselves and the French to curb these growing frictions, which if permitted to grow could have disastrous results. I will report further on this in my overall evaluation of the situation sometime tomorrow.[4]

[Collins]

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[3] The Department of State, in telegram 3940 to Paris, repeated to Saigon, May 5, rejected Berard's "insinuations and allegations" and the Embassy in Paris was instructed to inform the French that in view of forthcoming discussions on Vietnam, such personal recriminations were regrettable and ill-timed. (Department of State, Central Files, 751G.00/5–2555)

[4] Apparently the reference is to the observations in Document 173.

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168. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, May 3, 1955—8:41 p.m.

4867. For Collins and Kidder. Refs: Saigon 4985[2] and 5006[3] repted Paris 1284 and 1290.

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[1] Source: Department of State, Central Files, 751G.00/5–355. Drafted by Young and cleared by Robertson, MacArthur, Dulles, and with Tyler and Murphy in substance. Sent also priority to Paris.

[2] In this telegram, May 1, the Embassy relayed the following request from Diem: Could he expect "full and immediate U.S. support should he depose Bao Dai and form a new government with 'full support of the people and army'. . . ?" (*Ibid.*, 751G.00/5–155)

[3] In this telegram, May 2, Collins informed the Department of a discussion with Diem on May 2 concerning the situation in Vietnam after Diem's initial successes against the Binh Xuyen. One of Diem's themes was that popular opinion in Vietnam, as expressed by the "Revolutionary Committee", wanted the removal of Bao Dai as head of state. "Diem suggested US Government recommend to Bao Dai to resign his

Continued

1. Tide presently may be running in favor Diem government provided "revolutionary committee" or any "Estates General" does not get out of hand. Challenge of rebel Binh Xuyen successfully met. National Army appears united in support legal government. Many political personalities and factions including Cao Dai have rallied to government. U.S. has maintained support for governmental authority. However, premature or precipitate action might reverse present trend to the disadvantage of government.

2. We would like the following conveyed to Diem:

A. If Diem relies on hastily organized ad hoc group such as revolutionary committee or "Estates General", action to depose Bao Dai could set precedent and open way for later removal of Diem by same or similar group, including Viet Minh. Authority over army is crucial factor in present situation and Diem might wish to consider carefully how Bao Dai might still serve to consolidate Diem's authority. To proceed with proposed action before Diem is assured of solid backing of Vietnamese people might open door to greater confusion, set government adrift in uncontrollable currents, and lead to ultimate Viet Minh triumph through subversion and infiltration.

B. Crucial task for Vietnamese nationalists is to consolidate support of army and to move ahead rapidly to translate paper plans and decrees into concrete actions backed up with adequate organization at the village level. As long as Viet Minh is hampered in the North by various real handicaps such as lack of rice and mass repudiation by hundreds of thousands of refugees, the South has possible opportunity to gain the upper hand politically if the Vietnamese nationalists can rally together effectively to strengthen Free Viet-Nam.

C. Accordingly, we counsel moderation on Diem. And we will counsel restraint and moderation likewise on Bao Dai and French. Future U.S. support for Viet-Nam will be predicated on our assessment degree of genuinely broad popular support and ability to deal responsibly and constructively with fundamental problems shown by nationalist, anti-Communist government. The U.S. is stressing this to all parties concerned.

3. *For Embassy Paris:* We hope French will exercise restraint in present situation. After informing French of substance above omitting any reference to Diem's request for U.S. position as outlined reference telegram, make clear to them the immediate pressing requirement is for U.S. and France cooperate in supporting Diem's government's authority. If French or Bao Dai take measures against Diem or show evident disapproval of his government, it might push Diem to point where he may find it imperative to allow or take action against Bao Dai or French, in order to maintain his own personal authority. In this event, whether or not Diem or the Viet Minh come out on

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powers in favor of Diem. I told Diem I would report his views to my government. . . . I said I believed the US Government could not and would not recommend to Bao Dai that he resign his powers." Collins also reported the gist of a preliminary conversation with Ely on the situation. (*Ibid.*, 751G.00/5–255) top, position French would be lost. Recall of Hinh[4] immediately to France by Bao Dai would be useful demonstration willingness cooperate.

4. At Collins' discretion if he believes useful we suggest he convey Diem that we would hope that Diem could immediately announce reorganized, broader government which would have administrative and political capabilities, unquestionable nationalist and anti-Communist orientation, determination to carry out seven-point reform program energetically, and capability to carry out program for the integration of the sects into the modern life of Viet-Nam and the convoking of provisional national assembly as soon as possible.

Dulles

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[4] General Hinh, Bao Dai's emissary, had been expected to arrive in Saigon on May 1, but instead he landed in Phnom Penh.

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169. Memorandum of a Telephone Conversation Between the Secretary of State and the Secretary of Defense (Wilson), Washington, May 4, 1955, 10:02 a.m.[1]

The Sec. returned the call, and W. said he is struggling with the question of a military man for Southern Vietnam.[2] The Army thought they picked a competent officer but it has worsened since we first started to talk about it. W. asked how the Sec. rated the importance of his being able to speak French. The Sec. said first would be some satisfactory experience with Orientals—next some demonstrated ability to train and next speaking French. W. said the first should be that he have executive leadership qualities. The Sec. said he assumed they are all good men. The Sec. said we trained Koreans and on Formosa. Also he has to work with the French. The Sec. repeated that in our opinion it is taking a gamble but it is Defense's responsibility. W. said if he were taking the job, he would want everyone to think he was the best to do it at the start. W. does not consider the chance for success very great—the Sec. sort of indicated agreement. O'Daniel will be there for 2–3 months according to what Collins thinks. W. mentioned that Collins has a fluent interpreter there. W. said the ambassador and military man should complement each other. The Sec. said to some extent—our contacts are largely with the French and the French with the Vietnamese. W. thought of mentioning it to the Pres. Collins thinks the man should have 3 stars. The Sec. said O'Daniel had 2 most of the time. The Sec. has no feeling about it—he would not think he had to have 3. W. said we can always give him another one.

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[1] Source: Eisenhower Library, Dulles Papers, General Telephone Conversations. Transcribed by Phyllis D. Bernau, Dulles' secretary.

[2] For the position of the Chief of the Military Assistance Advisory Group.

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170. Memorandum of a Conversation Between the Vietnamese Prime Minister (Diem) and the Special Representative in Vietnam (Collins), Saigon, May 4, 1955, noon[1]

1. Ambassador Collins called on Prime Minister Diem at noon, May 4, at his own request. He began conversation by expressing regret for the death of General The. Diem appeared to be deeply concerned by The's death and referred to him as a "moderate element." Diem went on to say with respect to The's death that The had refused to use an armored car or to take shelter against enemy fire. Ambassador Collins said that, unfortunately, [name deleted] had told Colonel Gebhart[2] that shot killing The came from a French river boat. Diem immediately left the room to speak to [name deleted]. When he returned, Ambassador Collins said he was pleased by [name deleted] [*Diem's*?] prompt reaction. As [name deleted] came into the room, he said he had a story from The's men that The had been shot from the back. Ambassador Collins said that he viewed this rumor as serious. It was bad for The's memory and could only tend to stir up dangerous anti-French feeling. Diem broke in to say that [name deleted] should consult him before making such statements, even if they were true. Diem went on to say that if such stories were true, he would make the necessary statements.

2. Diem described a conversation he had had with Admiral Jozan in which he complained that two Navy launches had delivered munitions on May 1 to Binh Xuyen. Moreover, Binh Xuyen launches had taken shelter May 3 beside certain French vessels. Jozan denied the report regarding the transfer of munitions. He also said that Ely had not discussed with him the question of recovering former French launches from the Binh Xuyen.

3. Ambassador Collins told Diem that he was very much concerned by the anti-French press campaign now underway. He said it was not only dangerous to the French but rendered the US position

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[1] Source: Collins Papers, Vietnam File, Series VII, S. Secret. Drafted by Sturm on May 5.

[2] Lieutenant Colonel John F. Gebhart, Assistant Army Attaché.

much more difficult. Diem said that, on May 3 in a radio address, he had counseled moderation. Ambassador Collins said that, nevertheless, the Vietnamese press was still printing inflammatory articles which Diem could stop through press censorship. Diem said he would speak to Information Minister Thai. However, any reduction in the anti-French press campaign would have to be brought about slowly since Vietnamese officers had had serious trouble with the French.[3]

4. Diem's remarks concerning the Revolutionary Committee and the Congress he has convoked are contained in Embtel 5047.[4]

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[3] In a memorandum of a conversation held with Diem the previous day, Lansdale wrote: "I drew sparks from the President with my remarks about the anti-French propaganda. He pointed out that Ambassador Collins had raised the same point and wondered why we Americans were putting this burden on the Vietnamese, when the French actions had been so provocative. (In other words, why didn't we go to work on the French to stop being so provocative?)" (Memorandum for the Record by Lansdale; Collins Papers, Vietnam File, Series VII, L)

[4] *Infra.*

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171. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, May 4, 1955—6 p.m.

5047. 1. During course of call on Diem at noon May 4[2] I told PriMin we, French and UK were disturbed by Revolutionary Committee and possibility of Viet Minh involvement in it. Diem admitted that some of committee members had once been in Viet Minh but denied that any were now affiliated. He added that committee had desired take drastic independent action to depose Bao Dai, demand evacuation of FEC and call for elected assembly. Diem, however, had told committee he must convoke provincial representatives, explaining to me that his objective was to surround committee radicals with more moderate elements. I warned Diem committee constituted real threat to his govt. He conceded committee members were "ambitious and over excited", but went on to say that "everyone" is against Bao Dai. Committee members, who wished Diem resign his powers to them, were not pleased with his decision to call in provincial representatives. He said committee had in effect disintegrated May 3 when more moderate members withdrew pending arrival of provincial delegates, and mass meeting held late afternoon May 3 had succeeded in attracting only 500 participants.

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[1] Source: Department of State, Central Files, 751G.00/5–455. Secret; Niact; Limit Distribution. Repeated for information priority to Paris.

[2] See the memorandum, *supra.*

2. Diem went on to say that "Congress", which would consist of Revolutionary Committee augmented by provincial delegates, should be encouraged to put forth moderate motions, but that no one could prevent it from demanding that Bao Dai resign as Chief of State. I asked Diem what the effect of such motion would be. He said Bao Dai would have to decide quickly to resign his powers, as he abdicated in 1946 to Viet Minh. Diem said he, Diem, was convoking congress since otherwise it would convene "spontaneously". He said that in center Vietnam "everyone" is against Bao Dai, even members of Imperial Guard.

3. I told Diem this course of action would pose serious problems for US, particularly if Bao Dai refused to abide by decision of congress as forecast by Diem. I asked who in Diem's view would take place of Bao Dai, what the form of govt would be, and what could serve as element of continuing legality. Diem answered only that unless congress met and acted, there would be grave "troubles". I said that it appeared to be Diem himself was proposing to overthrow Bao Dai through medium of this congress which is not an elected body representative of Vietnamese people. I did not believe US could support such action on part of revolutionary junta. Diem replied that if he did not go along, congress would meet and take action against Bao Dai. I said that if congress met, it would be only because he permitted it to do so, and that he would bear full responsibility. I urged that he keep congress in leash until an elected assembly could be constituted. He replied that congress would set up provisional govt to hold office until elections should determine form of govt.

4. I said I must report this decision on Diem's part to Washington at once, but meanwhile urged him not to permit congress to convene under conditions he had outlined. In my view such action would be interpreted as a coup d'état for which he could not escape responsibility. The purpose of the congress as I saw it was to overthrow Bao Dai and set up Diem in Bao Dai's stead. He asked what alternative there was. I said he should continue to govern as at present, hold elections when he could, and let National Assembly decide these matters. Diem said Bao Dai was interfering with him and trying to keep him from governing. He said Vy had tried to execute a coup at Bao Dai's direction and Chief of State had sent Hinh to investigate conditions surrounding hostilities with Binh Xuyen. I replied that these mistakes on Bao Dai's part did not warrant Diem's making an even graver mistake. He is still running country. Why alienate his friends by usurping proper function of an elected assembly? I warned Diem that committee or congress which overthrew Bao

Dai could also overthrow him if it deemed expedient. I said that any new govt set up under these conditions would be devoid of legality and that he himself would become captive of Revolutionary Committee. I urged him to reconsider and not make serious mistake of surrendering to committee. If congress were summoned, Diem should see to it that at most it call for elections to be followed by National Assembly.

5. Despite fact I repeatedly urged Diem take no action which would make US position in Vietnam very difficult, if not impossible, I cannot feel my words had much effect on him. It appears to me that he and his advisors are determined to get rid of Bao Dai, promptly and at all costs, unless we bring the heaviest pressure to bear on him, including threat of withdrawal of recognition and suspension of aid. In a separate telegram now in preparation I am making point that there may no longer be any possibility of achieving concerted Franco-US policy in Vietnam so long as Diem remains in office.[3] Without rehearsing arguments made there, I feel certain that unless we make strenuous efforts avert action on which Diem is embarked, it will be out of the question to salvage any part of our cooperation with French here.

6. Above was prepared prior to receipt of Deptel 4867.[4] You will note that I spoke to Diem more strongly than instructions contained in 4867 would seem to authorize. However, I limited my remarks as being by own views (in this connection, I had not seen Embtel 5031[5] before dispatch. First sentence of para 2 should have read: "I sent Embassy officer to Thai to inform him that in my judgment US does not and will not support plans Revolutionary Committee depose Bao Dai"). Since I now have official views of Dept I have arranged to see Diem again at 1800 today 4 May and will inform him that I have now received instructions as indicated in Deptel 4867. This will not only add official weight to my arguments but meeting will afford opportunity for further sensing of effect, if any, my comments had on Diem's intentions reference "congress".[6]

[Collins]

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[3] Apparent reference to the drafting of Document 173.

[4] Document 168.

[5] In this telegram of May 3, sent in the first person in Collins' name, the Embassy reported its response to a request by Colonel Thai, Minister of Information, as to the U.S. attitude toward the Revolutionary Committee's announced plan to depose Bao Dai. The second paragraph reads as follows: "I sent Embassy officer to see Thai to inform him US does not and will not support plans Revolutionary Committee depose Bao Dai. Question was left open as to what US attitude would be toward actions future duly elected National Assembly which alone could truly claim to be representative of Vietnamese people. It should be for elected National Assembly to decide form of government of Vietnam." (Department of State, Central Files, 751G.00/5–355)

[6] In telegram 5054 from Saigon, dated May 4, Collins reported that he had called on Diem at 8 p.m. and "explained to him that I now had precise instructions from

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172. Memorandum of a Conversation Between the Special Representative in Vietnam (Collins) and the French Commissoner-General in Vietnam (Ely), Saigon, May 4, 1955, 6 p.m.[1]

1. Ambassador Collins called on General Ely at 1800, May 4. He told Ely of his morning call on Diem and of Diem's reaction to the story implying French might be responsible for the death of General The. Ambassador Collins said that Diem had been disturbed by reports the Binh Xuyen still had launches from which they were firing on National Army troops. Diem had talked to Admiral Jozan repeating an earlier request that French reclaim these boats from Binh Xuyen. Ambassador Collins reminded Ely that he had some time previously requested Ely see what could be done about removing the launches from Binh Xuyen control. Ely replied that the launches were part of the police equipment turned over to the Vietnamese Police (i.e. Binh Xuyen) when police powers were transferred. He said he could not undertake to fight with Binh Xuyen to reclaim these vessels. The boats had long been in Binh Xuyen hands, having originally been French Police, not Navy, equipment. The boats were disarmed prior to transfer and thereafter re-equipped and rearmed by the Binh Xuyen.

2. Ambassador Collins related Diem's remarks concerning the Revolutionary Committee and the congress Diem has convoked. He said he had urged Diem to use his influence on the congress to see

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Department and further informed him that Department regards possibility of overthrow of Bao Dai by Revolutionary Committee as highly dangerous procedure. I told him that while committee might today overthrow Bao Dai and give powers to Diem, in three weeks or three months time it might decide replace Diem with someone else and cited case of Kerensky." At a later point in the conversation, when Collins asked whether a reorganized Diem government "would include capable men who did not always agree with Diem, such as Do, Quat, Minh or Thoai, the reply was contemptuous; Diem said Do and Minh represent nobody and that they are cowards, having resigned rather than face crucial issues."

The final two paragraphs, which immediately follow on the material just quoted, read:

"8. In breaking off conversation I reiterated two points. First, I urged again necessity Diem use all influence in interest of moderation and, secondly, I told Diem that new government had best include men of ability, not necessarily those I cited but men who could get something done as United States would have to assure itself that new government was obtaining results if it were to continue its financial aid.

"9. I left with impression that my afternoon discussion with Diem had had some moderating effect. This evening he had not repeated his positive assertion that nothing could prevent the Revolutionary Committee and States General from demanding resignation of Bao Dai." (*Ibid.*, 751G.00/5–455)

The National Congress which met on May 5 passed a number of resolutions, among them one requesting that a national referendum be held to decide whether the State of Vietnam should become a constitutional monarchy or a republic.

[1] Source: Collins Papers, Vietnam File, Series VII, S. Secret. Drafted by Sturm.

that it acted moderately. Ely inquired what the US position would be if the congress turned Bao Dai out. Ambassador Collins replied that he did not know what the US position would be. However, he had instructions from the Department to urge moderation on Diem. Ely said he believed the Committee had been set up specifically to eliminate Diem a few days hence. Ambassador Collins said we have no such information. Ely said that several Cabinet Ministers, mentioning Huyen,[2] have hit on this method for getting rid of Diem. Ambassador Collins repeated that we have no such information. He said Quat had indicated the Cao Dai were the prime movers along with the Viet Minh. Other reports indicated Diem's brother, Nhu, was deeply involved. Diem is wary of the Committee, but we have no information indicating it is an immediate threat to him. Ely said he did not believe the Cao Dai were primarily responsible for organizing the Revolutionary Committee. He said there is a strong wave of feeling throughout the country against Diem, and that the Revolutionary Committee has chosen Bao Dai as its first target before passing on to Diem. Ambassador Collins said that he believed it was very difficult to get a balanced estimate of the popular opinion of Diem. He believed Diem had gained in prestige. The Army had remained loyal and had fought, and no civil war had ensued, despite Ely's information and predictions. Therefore, he wondered how he should judge Ely's information regarding Diem. Ely replied that civil war does not develop in forty-eight hours. Bay Vien is now in the maquis and will soon begin guerrilla operations. Two or three National Army battalions had fought so badly as to destroy large quarters of the city. Various army units were of dubious loyalty. Ambassador Collins commented that our contacts indicated the Army had remained loyal. Colonels (now Generals) Don and Minh have renounced their French citizenship and seem loyal to Diem. Bay Vien, instead of going underground, may wish to settle his quarrel with the goverment peacefully. Accordingly, Ely should reevaluate the intelligence on which he had based his previous estimates.

3. Ambassador Collins continued by saying that he was distressed by the build-up of anti-French feeling, which not only could serve no useful purpose, but was highly dangerous. He had cautioned US journalists against this. However, it would be helpful to the French position if Ely could close out the three Binh Xuyen posts remaining in the French zone. Ely replied that negotiations had been underway for several days, and that many Binh Xuyen elements had now left the French zone. However, he said he resented implications that he was the Chief of the Binh Xuyen and could give orders accordingly. All he had tried to do was to stop the fighting. He be-

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[2] Possibly Huynh Van Hhiem, Secretary of State for the Interior.

lieved hostilities would not have broken out April 28 if Ambassador Collins had been in Saigon. Now that events have progressed so far, Ely believes all South Vietnam may be lost. However, he agreed that to avoid trouble, it would be advantageous to evacuate the three Binh Xuyen posts.

4. Ambassador Collins said he had received information that the Vietnamese Army had suspended operations against the Binh Xuyen for three or four days. He believed this to be a serious mistake. Moreover, the Vietnamese were moving one or more battalions back into Saigon for the duration of the Congress. Ely commented that there was no connection between the Congress and the return of the Vietnamese Army troops to Saigon. General Minh had told him that morning hostilities with Bay Vien had entered an entirely new phase, one of open country guerrilla activity, and that, he, Minh did not know whether the army could continue against the Binh Xuyen. Ely added that Minh had no confidence in certain army battalions and preferred to put the least trustworthy in the line and away from Saigon.

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173. Telegram From the Special Representative in Vietnam (Collins) to the Department of State[1]

Saigon, May 5, 1955—5 p.m.

5074. For Secretary from Collins. Re Deptel 4868, sent Paris 3920.[2] Following is summary of Vietnam situation as I see it:

1. Military situation vis-à-vis Binh Xuyen.

A. VNA has driven Binh Xuyen from all posts in Saigon–Cholon except 3 in French controlled zone. I have suggested Ely that he arrange for evacuation these posts and their transfer to National Police and Sûreté as major move to reduce anti-French feeling. Will report any progress this regard soon as obtainable.

B. Unfortunately, after successfully driving Binh Xuyen from Saigon–Cholon and area immediately south thereof, VNA has ceased operations for two or three days. Death of General The, fatigue of troops, "need for regrouping" and alleged near-shortage of artillery ammo have been offered as reasons for inexcusable failure to crush Binh Xuyen. Respite probably will permit residual Binh Xuyen forces to go underground as French predicted. This could result in dangerous and protracted guerrilla operations.

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[1] Source: Department of State, Central Files, 751G.00/5–555. Top Secret; Niact. Repeated for information niact to Paris.

[2] In this telegram, May 3, the Department requested from Saigon, in anticipation of the scheduled Franco-American-British talks on Indochina in conjunction with North Atlantic Council meetings in Paris, May 9–11, an estimate of the Vietnam situation and a projection of future developments including the local French position regarding outstanding issues. (*Ibid.*, 751G.00/4–3055)

C. Fortunately so far there has been no indication of moves of Ba Cut or Soai to aid Binh Xuyen. Soai's forces are quiescent area of Long Xuyen, and there is no indication that VNA units have had any difficulty with Hoa Hao despite fact armed escorts are on infrequent occasions considered prudent for travel in Sadec–Can Tho area.

2. Situation of the United Front (sect).

A. Too early to say whether United Front has definitely broken up. Certainly no effective assistance has been given by either Cao Dai or Hoa Hao to Binh Xuyen. United Front is quiescent for present.

B. Driving force behind United Front was unquestionably Bay Vien. Unfortunately, VNA permitted escape of Bay Vien, his political advisor Lai Huu Tai, and former Sûreté Chief Sang. Unless they can be either captured, killed, or forced out of country, they remain dangerous elements which could unify the United Front.

3. The Army (VNA).

A. Thus far VNA has conducted itself quite well against Binh Xuyen and has remained loyal to Diem govt.

B. Tactical movements of VNA were not skillful but consisted largely frontal attacks which permitted escape of Binh Xuyen leaders and withdrawal of substantial forces south of Saigon–Cholon.

C. Diem's refusal transfer full military powers to Vy has apparently not been further contested by Bao Dai in spite his original order and Vy is reported to have gone to Paris after unsuccessfully attempting coup. Vy's fiasco and strong popular reaction against Bao Dai's action sending Hinh back to Vietnam on special mission have reinforced present army leadership which is supporting Diem in action against Binh Xuyen.

D. Although certain army leaders, including Generals The, Tran Van Do and Tran Van Minh signed early Revolutionary Committee Declarations, General Don now states army wishes remain out of active politics. Don also says army will not send representatives to Estates General meeting although invited to do so by Diem.

E. While army has remained loyal to Diem until now as head of legal govt, if Revolutionary Committee should seek overthrow Bao Dai and should Bao Dai resist this action, effect on loyalty of army is difficult to predict. In such event, there would probably be at least deep split in army ranks with perhaps considerable portion senior officers declaring for Bao Dai.

F. Fact that army has suspended action against Binh Xuyen is disturbing and may indicate that, for variety of reasons, army is not enthusiastic about engaging in guerrilla warfare against Binh Xuyen.

4. Revolutionary Committee. (See Embtels 5047 rptd Paris 1295, 5054 rptd Paris 1299, and 5049 rptd Paris 1296[3]) Will advise results of meetings 5 May.

5. Bao Dai's position.

A. Bao Dai has committed major blunders. He has twice ordered Diem to France for consultations, sending messages in clear which were widely publicized and which Diem has nevertheless successfully resisted. Bao Dai in third message which we have not seen, is said to have back-tracked to some extent, explaining he had not meant cast reflections on Diem, but simply wished to consult with him as PriMin before meeting with other nationalist leaders. Fourth message of 4 May, which we have also not seen, is said to be restrained and conciliatory. Second blunder was to name Vy to supersede civil and ranking military authorities as supreme military chief with full military powers. This likewise has backfired. Third blunder, Hinh mission, was particularly stupid in view fact that Hinh had been portrayed as rebel when he was recalled from Vietnam to France by Bao Dai.

B. Bao Dai is currently object of violent denunciations by so-called Revolutionary Committee and in Saigon vernacular press, where such attacks would not occur without govt inspirations or at least tacit encouragement. Revolutionary Committee's public proclamation stating Bao Dai deposed as Chief of State has given publicity and impulse to anti-Bao Dai movement which has always been strong in Cochin China.

C. Should Bao Dai be wise enough to continue show restraint and conciliatory attitude his recent messages have reflected he could be very important asset in restoring stability to Vietnam and strengthening govt. Although badly undermined and discredited by recent events and his own blunders, continuing strength Bao Dai's position lies in fact that while National Assembly and constitution are still lacking he represents only legal authority, however tenuous, able to effect peaceful and legal change of governments. Much as we may dislike situation, until National Assembly is elected Bao Dai is only person competent to provide element political continuity. We must, therefore, give consideration to means preserve Bao Dai's position. He can be positive asset should he give full support Diem govt pending general elections and establishment National Assembly.

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[3] For telegram 5047, see Document 171. In telegram 5049, May 4, Collins reported on discussions with Diem in which, inter alia, he warned Diem not to use the "Revolutionary Committee" to depose Bao Dai. In telegram 5054, also May 4, Collins summarized the views of local friendly intelligence organizations as to the possibility of Viet Minh infiltration of the "Revolutionary Committee". With the exception of the French who believed the committee was 80 percent "subverted", the general view was that it contained a few former pro-Viet Minh members who needed careful watching. (Department of State, Central Files, 751G.00/5–455)

6. Diem's position.

A. Diem's position has clearly been strengthened by recent events. Factors in giving him prestige and in increasing his strength have been:

(1) Diem's vigorous and forceful reaction to Binh Xuyen challenge April 28;
(2) Continued loyalty National Army to Diem as legal chief of govt;
(3) Success of National Army in driving unpopular Binh Xuyen from city;
(4) Obvious bitterness of French against Diem which reacted in Diem's favor among population;
(5) Ineptness Bao Dai's moves against Diem and Diem's success in resisting them;
(6) Continued US support.

B. Weaknesses of Diem's present position are:

(1) Danger that he may fall captive to Revolutionary Committee.
(2) Fact that loyalty of army, in large measure, is conditioned upon his continuing as legal head of legal govt.
(3) Possibility that Bao Dai could precipitate internal conflict by dismissing Diem should Revolutionary Committee and Estates General depose Bao Dai and Diem associate himself with this action.
(4) Difficulty controlling always latent republican sentiment now that Revolutionary Committee has raised prospect of possible deposition Bao Dai.
(5) Fact that Diem himself is vulnerable to being overthrown within brief period should extreme elements depose Bao Dai and later turn on Diem.

7. French position.

A. French position be determined by two factors:

(1) Ely's responsibility for safety FEC and for French lives and property; and as signatory of Geneva accords;
(2) French desire retain cultural and economic presence and to retain Vietnam as part French Union.

B. Friction between French and Vietnamese has reached serious proportions. It springs from two major sources:

(1) Ely, to meet his responsibility for the safety of French lives and property, has established a French controlled security zone which includes large portion residential and business zone of Saigon proper. He has introduced new French battalions to protect this zone. Presence these forces, reported refusals to permit VNA units to move through French Zone, and sanctuary provided to three Binh Xuyen

posts located within security zone are constant irritants to Vietnamese nationalists.

(2) Anti-Diem propaganda such as broadcast by Radio France-Asie and allegations of French support of sects, particularly Binh Xuyen, which widely credited by Vietnamese, have added oil to fire.

C. Ely and French authorities here have finally concluded Diem must go. Increasing French bitterness toward Diem and their sensitivity to "anti-colonialist" propaganda has to some extent been extended to US whom they blame for not joining with them in pressing Diem to seek cease-fire. French likewise tend blame US for recent bloodshed because we did not agree with them in finding political solution to governmental crisis some three weeks ago.

D. Strong anti-French aspect of Revolutionary Committee has great appeal to large segments of population which beneath surface has long nourished hatred and contempt for French.

E. Quite regardless of future developments, episodes of last week, featured by increasing strain in French-Vietnamese relations, cannot help but severely jeopardize France's long-range interest in Vietnam. Of late one hears less and less mention of maintenance cultural and economic interests and influence and more and more of threats that France will drop responsibilities and withdraw FEC. We believe this to be passing phase, however.

F. Reference the activities of Revolutionary Committee and States General local French have same fears that we do. French are convinced that Revolutionary Committee is penetrated by Viet Minh agents, but have so far been unable to give us any conclusive proof. They are also skeptical about the States General being able to modify radical resolutions of the Revolutionary Committee.

G. I think it is fair to say that French are convinced that Diem desires overthrow Bao Dai and will continue efforts to do so irrespective of current activities of Revolutionary Committee.

H. As indicated in recent telegrams, General Ely and the Commissariat General in Saigon have become so emotional in their bitter opposition to Diem and his entourage, that I fear they have lost some of their objectivity as to popular reaction to Diem's recent moves, his hold on the Army, and his ability to deal with the Binh Xuyen. They are quite convinced that serious warfare will be initiated by the Binh Xuyen, and that anti-French sentiment fomented by Diem and perhaps Viet Minh may still cause serious outbreaks in foreign sections of Saigon.

8. Conclusions.

A. It would appear to me that the essential steps in reconstitution of joint American-French approach to situation in Vietnam should be as follows:

(1) Diem government should be fully supported in bringing to a final and quick solution its conflict with the Binh Xuyen.

(a) This will require on part of French, not only in Paris but more importantly in Saigon, that genuine assistance rather than passive self-obstruction be offered to Vietnamese Government and armed forces.

(b) Specifically, General Ely should be directed take active steps to persuade Binh Xuyen to withdraw their forces from three police posts remaining within French security zone in Saigon, or if Binh Xuyen refuse, then to permit Vietnam armed forces to reduce these posts with minimum of casualties.

(c) All echelons of French bureaucracy, including armed forces, should be instructed to desist from agitating against Diem government.

(d) Official pressure, both in Paris and Saigon, should be brought upon Radio France-Asie, a semi-governmental institution, to cease its attacks on Diem government.

(e) Such steps as may be possible should be taken to persuade French pressmen to cease their attacks, particularly in Saigon.

(f) French garrison in Saigon–Cholon should be reduced without delay.

(g) There should be a public announcement by appropriate French authorities of their full support of Diem government in present conflict with Binh Xuyen.

(h) On the American side, MAAG should proceed rapidly as possible to assist organization and training of essential logistical services of Vietnamese armed forces so as to make them as independent as possible of FEC. This is under way in accordance with my instructions to MAAG.

(2) As soon as current crisis is over, decisive effort must be made to persuade or otherwise force Diem to reorganize his government and to establish a cabinet competent to implement broad programs of reform covered by the Collins–Ely seven-point program, plus a program for integration of sects into normal life of Vietnam.

(3) If, after reasonable further period of trial, Diem is unable to constitute a government capable of implementing these programs, US should join with France and Bao Dai in assisting liberal Vietnamese nationalists to establish a competent government.

B. I recognize that General Ely may irrevocably be opposed to supporting any Diem government. If this should prove to be true, I would suggest we urge Faure government to replace him, preferably with man of caliber of Devinat,[3] or perhaps Georges-Picot.[4] At same time, it would probably be necessary to replace General Jacquot (who has incurred violent animosity of Vietnamese during Binh Xuyen affair) with man like General Cogny.[5]

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[3] Paul Devinat, a Radical Socialist Deputy and former Cabinet minister, had headed a Parliamentary Commission on Indochina in 1953.

[4] Possibly Guillaume Georges-Picot, French Ambassador to Mexico.

C. Reference step (3) above, I recognize also that it may be politically difficult to withdraw US support from Diem even if trial proves is capable of establishing an effective government. I still feel that even if Diem manages suppress Binh Xuyen, this will not change his own basic incapacity to manage the affairs of government. His present successes may even make it harder for us to persuade Diem to take competent men into government, to decentralize authority to his ministers, and to establish sound procedures for the implementation of reform programs. I am still convinced Diem does not have knack of handling men nor the executive capacity truly to unify the country and establish an effective government. If this should become evident, we should either withdraw from Vietnam because our money will be wasted, or we should take such steps as can legitimately be taken to secure an effective new Premier.

D. Throughout all this I feel we must keep our eyes clearly on our main objective in Vietnam, i.e., to assist in saving this country from Communism. No matter who heads the government here, free Vietnam will not be saved unless sound political, economic and military programs are promptly and effectively put into action. This will require wholehearted agreement and coordination between Vietnamese, Americans and French. Difficult as this may be to achieve, it is possible, in my judgment. If this tripartite approach is not secure, we should withdraw from Vietnam.

[Collins]

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[5] Général René Cogny, Commander of French Union Land Forces in Northern Vietnam, 1953–1954.

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174. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, May 5, 1955—6:55 p.m.

4907. Eyes only for Collins from Secretary. I am somewhat disturbed lest our position become too rigid on fundamental political questions regarding the future of Vietnam. The ultimate form and organization of the state and the government must be left to the Vietnamese to decide in an orderly manner. These are matters of high state policy which need to be concerted between us before we give committal. It strikes me this is not the time to declare for or against any particular form of the state.

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[1] Source: Department of State, Central Files, 751G.00/5–555. Secret; Niact. Drafted by Young, cleared by Robertson, and signed by Dulles.

During the past week Congressional leaders in both houses have expressed more and more frequently their support for Diem and their opposition to Bao Dai. The latter is truly unpopular in the US. US Congressional and public opinion would care little and probably much approve if he were removed from the scene.

Of course we would like preserve basis of legitimacy of the government by some orderly process rather than by revolutionary action. But even here we must keep flexibility and not become publicly committed. We are primarily concerned with whether government effectively controls country and has genuine anti-Communist and nationalist support.

If Diem and the free nationalist groups apparently now rallied together can stay united, maintain the undivided loyalty of the army, and gain genuine backing of the people in the country, US support can continue to be forthcoming.

I repeat, an important aspect of our policy must be flexibility and adjustment so that we can move according to evolution of the situation.

Dulles

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175. Editorial Note

According to the memorandum of discussion at the 247th meeting of the National Security Council on May 5, the Council listened to the usual briefing by Allen Dulles on "Significant World Developments Affecting U.S. Security". The following excerpt from the briefing concerned Vietnam:

"Mr. Dulles continued his briefing with comments on the situation in South Vietnam. The Binh Xuyen had largely been driven from Saigon and were unlikely to be able to go underground there for the simple reason that the ground was nothing but mud. The real problem which now looms in this country was how to control what appeared to be a genuine revolutionary movement. At least three groups or committees were now operating on the scene. The first was the small so-called revolutionary committee, consisting of about a dozen members. Beyond that was the so-called States General, numbering perhaps 1000 individuals. Finally, there was a rabble numbering about 4000 who were noisily calling for the deposition of Bao Dai. Mr. Dulles predicted that it would be difficult for Diem to control these groups.

"The Vice President inquired of Mr. Dulles whether these groups were all nationalist in character. Mr. Dulles replied that we couldn't be sure that there wasn't Communist influence behind some of them. While the French claimed that the small revolutionary committee had two Communist members, the CIA was inclined to doubt the validity of this claim. Mr. Dulles pointed out that Bao Dai was searching for an intermediate solution to the problem of legitimate authority. He was trying to constitute a kind of regency committee which would include Diem himself. Mr. Dulles feared, however, that the situation had gotten beyond such a solution. Diem had been having a number of talks with General Collins, who had been urging him to go slow as far as Bao Dai was concerned.

"The President inquired whether Diem had moved to take in Quat, Do and the other cabinet ministers who had previously resigned. Mr. Dulles replied that he had not, because he believed that by resigning, these individuals had demonstrated their unfitness for office. Mr. Dulles furthermore expressed doubt that Diem would actually organize a strong coalition cabinet. On the other hand, it was undeniable that Diem was showing great strength both in Saigon and elsewhere throughout the country. He had become the symbol of the break away from the French. This fact alone made it very difficult for Diem to compromise with regard to Bao Dai." (Eisenhower Library, Whitman File, NSC Records)

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176. Memorandum From the Chief of the National Security Division of the Training Relations Instruction Mission (Lansdale) to the Special Representative in Vietnam (Collins)[1]

Saigon, May 8, 1955.

SUBJECT

Talk with President Diem, afternoon 8 May

1. President Diem asked to see me today. Saw him briefly just after noon. He told me the following.

2. He intended sending a letter to the French later today, stating that General Hinh was no longer desired in the Vietnamese Army and asking that he be accepted back into the French Army. He intended taking legal action against General Vy for rebellion.

3. In accordance with your request, he had moderated the demands of the Congress. Most delegates have returned home already. However, he was worried by press dispatches from Paris (which he had on the table in front of him; they were sent from Paris 2130 hrs

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[1] Source: Collins Papers, Vietnam File, Series VII, L.

7 May and quoted *Figaro* and *Paris Press*). The gist of the dispatches were [*was*] that Bao Dai plans to appoint a High Council (*Figaro* said "Presidium") of five worthy persons: Diem, two from Imperial Family, Cao Dai Pope,[2] and the leader of the Hoa Hao. Bao Dai would also appoint a Consultative Council which could be given the task of legislative work. Bao Dai would like to be a constitutional monarch, Western style. These plans would have the backing of the British, as indicated by Malcolm MacDonald. These actions are intended to appease the U.S., save face for Diem, solve the religious quarrel between the Catholics and the sects, prevent the Revolutionary Committee from proclaiming a republic and thus embarrassing the U.S., bring back calm, initiate reforms.

4. Diem said that you cannot fight the Vietminh with compromises, with people and ideas despised by the people. He is making a radio address later today, a moderate one, but thinks he will add in his ideas of an election for an Assembly to have a truly representative government. If Bao Dai and the French force him to do so, he will go further and reconvene the Congress and let them sound off their real feelings about Bao Dai. He said they are a bit resentful at being made to moderate their resolutions.

5. Diem has appointed Lin Quang Vien (unknown to me) as C.O. of the Imperial Guard vice Col. Tuyen. Bao Dai sent him a wire saying Tuyen should remain as commander of both Imperial and personal Guard. (Diem said latter post was as procurer Bao Dai mistresses). Diem sent cable to Bao Dai saying Tuyen had helped Vy with the coup attempt and was very unpopular in the Guard.

E.G. Lansdale
Edward G. Lansdale
Colonel
USAF

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[2] Pham Cong Tac.

177. Telegram From the Secretary of State to the Department of State[1]

Paris, May 8, 1955—5 p.m.

Secto 8. Following is summary conversations on Indochina held with British and French this afternoon.[2] French Delegation headed by Prime Minister Faure, British by FonMin Macmillan and US by Secretary. During first part of conversations British were absent, joining later as noted.

Faure opened conversations by referring to ratification Paris Agreements[3] and difficulties French Govt had encountered in process. He observed that public opinion must now be satisfied with early four-power talks. He agreed that we would now be talking from strength and that prospects for success were thereby increased. He referred to China and to fact that France was now ignoring govt which had in hands fate of hundreds of millions of people because of her recognition of fact that US views must be taken into account. He remarked there are now two areas of particular interest to France. They are North Africa and Vietnam. He would call upon Laforest, Minister of Associated States, to give outline French position on latter.

Secretary replied by stating that US recognized courageous step France had taken in ratifying Paris Agreements. Both he and President appreciated magnitude of political task. They felt step, however, was in France's own interest as well. Secretary expressed opinion that in ratifying France had reaffirmed her position as "one of great nations of world".

Laforest then opened Indochina discussion. He stated that Geneva Accords had posed several questions including that of how to deal with forthcoming elections. Division of country had given South Vietnam disadvantage in competing with north but what south lacked in area and population was counterbalanced by her economic superiority. France believed that south could win over north in lections if she could present more attractive regime to people. This could be done only with nationalist, stable and broadly based govt. Time was of essence for discussions prior to elections which would open next July and elections themselves in July 1956. There was no ambiguity in French policy between North and South Vietnam. Presence of France in north could not be erased by stroke of pen. It is French duty to protect her cultural and economic presence there. Sainteny mission is designed for only that purpose. France had given up thoughts of mixed companies as result our objections and had now surrendered coal mines. Sainteny mission would be maintained on its present terms. It would be neither enlarged nor changed.

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[1] Source: Department of State, Central Files, 751G.00/5–855. Top Secret; Priority. Repeated for information priority to Saigon. Dulles arrived in Paris on May 7 for talks with the British and French and for the scheduled North Atlantic Council meetings, May 9–11. He then proceeded to Vienna on May 13 for discussions and the signing of the Austrian State Treaty by the Foreign Ministers of the Soviet Union, the United States, France, and the United Kingdom.

[2] According to the diary of the Secretary's trip, this meeting took place at 6:30 p.m., May 7. (*Ibid.*, Conference Files: Lot 60 D 627, CF 445)

[3] Apparently the reference is to the Nine- and Four-Power Agreements, signed October 23, 1954; for texts, see *Foreign Relations*, 1952–1954, vol. v, Part 2, pp. 1435 ff.

Laforest continued to say that France had loyally supported govt of Diem from beginning. Any allegation to contrary is untrue. French constantly tried to reenforce Diem govt. France reached agreement with US last December to persuade "or compel" Diem to enlarge govt. It was agreed to give him until January at which time, if he had failed, we would look into matter of alternate discreetly. This was not done. Last March present govt broke into open conflict with sects. United Front of sects was formed against Diem. Both December agreement and common sense told US at that time that something [had] to be done to avoid civil war. France warned that armed conflict—first civil war, then guerrilla warfare, then terrorism—would result if we failed to take action. France has always desired peaceful solution. For this reason joint Ely–Collins approach was tried. It was hoped they would arrive at joint plan for solution. Washington appeared first to welcome this concept then changed its mind. Collins left Saigon when civil war was about to break out. Untenable truces were declared. When they were about to expire Bao Dai submitted his own plan on April 19 in order to try to reconcile US and French failure to act. US failed to reply to Bao Dai. In absence of Collins from Saigon Bao Dai acted.

Laforest continued to say that new Revolutionary Committee appeared to have control. Committee is strongly under Viet Minh influence. A man named [name deleted], staff officer in Vietnamese Army, educated in China was vice-president of Revolutionary Committee. [Name deleted] was one of vice-presidents of Viet Minh Govt. [Name deleted] is notorious Viet Minh agent. Viet Minh influence of "revolutionary" groups is recognizable throughout and their influence is spreading to country. Bao Dai's deposition is demanded. There is violent campaign against French and French Expeditionary Corps. Viet Minh agents make good use of it and certain Americans do not seem sufficiently aware of this. French Govt does not wish to have its army act as platform for Viet Minh propaganda. Army will not be maintained in Vietnam at any cost. Laforest closed by referring to govt censorship and showed copy of Saigon newspaper, half of which had been censored, as example of extent of govt censorship.

Secretary replied referring to seriousness of situation and necessity that French and US as good friends work closely together. It would not be profitable to go into detailed charges made against each other in two countries. Question is what to do in face of present situation. He summarized present situation as follows:

(1) There is a revolutionary movement under way in Vietnam,

(2) We believe that Diem has the best chance of anyone of staying on top of revolution and keeping it within "tolerable" limits. Diem is only means US sees to save South Vietnam and counteract revolution. US sees no one else who can. Whatever US view has been in past, today US must support Diem wholeheartedly. US must not permit Diem to become another Kerensky.

Regarding Bao Dai, Secretary said in his view he had irretrievably lost capacity to be anything but titular head of government if even that position could be saved for him and that this was solution Secretary preferred until election (of National Assembly). Bao Dai should support Diem and not take away his power. Cao Dai and Hoa Hao could be used but not Binh Xuyen. Secretary expressed opinion that with support two governments, Diem could sit on top of revolution. Diem is only force of moderation. FEC a certain stabilizing influence. US was giving funds to support Vietnamese Army and could not see anyone else to give funds to but Diem for that purpose. Concluded by stating that support of Diem was only way he could see to deal with common problem pointing out that time was running against us and no successful results could be achieved unless two countries worked together.

Meeting was then joined by British for whom Secretary résumed US position as summarized above adding that in US view present revolution is not yet dominated or influenced by Communists to any appreciable degree. He remarked that prior association with Communists was not in itself sufficient reason to believe that man was a Communist now, citing that Bao Dai himself could be considered a Communist on this reasoning. Support of Diem did not indicate US non-recognition of his weaknesses. US had not taken part in his original selection and had been and remained ready to support any other man who might be presented by orderly process of law. He remarked that just before outbreak of fighting US was prepared to consider alternatives but he was not sure now that it would have been practical. Secretary remarked he was told last March by Collins that we had already reached point of no return on Diem.[4] There was no practical way of getting rid of him. Secretary wished to do everything to get Diem to enlarge government. It might be possible to change government at the time of forthcoming elections but question remains "who is better than Diem". If there is a better man US is ready to consider him but re-submits no one has been suggested. Although Collins had reached agreement with Ely in early April to change Diem he now believes we must support him.

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[4] See Document 84.

Faure replied that he thought it best that he speak himself. He wished to state that France is not in agreement with US views. In the past we have concealed this fact from each other but now it is time to speak frankly. Diem is not a good solution. Joint efforts to prove he is have resulted in failure. France is convinced that Diem is leading to catastrophe. Diem took advantage of Collins' absence to effect a "coup de force" which won primary victory but which has not contributed to any lasting solution His anti-French sentiments are extreme. France does not object to his being anti-French if he is capable but being anti-French is not a sufficient quality in itself. France will not continue with him for, one way or another, he will bring on a Viet Minh victory. He is surrounded by Vietnam elements and there is no time to lose. Diem is not only incapable but mad (fou). He ruined our chances for a possible solution just when it was in the offing. France can no longer take risks with him. He could yield to the revolutionary groups. Continuing with Diem would have three disastrous results:

(1) It would bring on a Viet Minh victory,
(2) It would focus the hostility of everyone on French, and
(3) It will bring on a Franco-US breach. Everyone believes that the US is backing Diem and encouraging him in his anti-French sentiments even if the French Government knows US is not.

Faure continued that much of Franco-US difficulty grows out of fact that we have never admitted our true thoughts from beginning. Last September we might have had an agreed solution if we had expressed our doubts but we did not. Bao Dai is a "bad card" but by means of him something is possible but with Diem failure is certain. We might have been able to save situation on eve of coup de force if we had had three-sided agreement (US, France, Bao Dai) but again we failed. Bao Dai has faults but he can serve a useful purpose and should be used for that. He cannot be excluded as a possibility for bringing about a more productive solution but as long as Diem is there the view is obstructed and no solution is possible. To résumé, Faure said, Diem is impossible and there is no chance for him to succeed or to improve the situation. Another man might not be able to improve the situation either and, in fact, there is no one specifically in mind but at least with another man there is a chance but with Diem there is none.

Faure then concluded with the following significant statement: "Diem is a bad choice, impossible solution, with no chance to succeed and no chance to improve the situation. Without him some solution might be possible, but with him there is none. However, I cannot guarantee any other solution would work nor is it possible to clarify the situation. There seems to be fundamental disagreement between us. I could have claimed that since French position is predominant in Vietnam, you should accommodate your views more to ours, but I have rejected this. What should be done under the circumstances? What would you say if we were to retire entirely from Indochina and call back the FEC as soon as possible. I fully realize this would be a grave solution, as it would leave French civilians and French interests in a difficult position. There is also the question of the refugees' fate. If you think this might be a possible solution, I think I might be able to orient myself towards it if you say so. It would have advantage of avoiding all further reproach to France of 'colonialism' while at the same time giving response to Diem's request that France should go. Since it contemplates the liquidation of the situation and the repatriation of the FEC, would the United States be disposed to help protect French civilians and the refugees? If you do not agree to this solution and believe it would hamper you, then we can have further discussions on the Vietnamese situation."

Secretary replied that he appreciated frankness. It is only way friends should speak to each other. There is a fundamental difference between France and US. US has higher regard of Diem's capabilities than France. US informed "coup de force" was engineered by Binh Xuyen while French say otherwise. Secretary himself had had doubts that Diem could survive. It was questionable whether army was loyal to him and he did not control the National Police. Loyalty of French Govt itself in support of Diem was not questioned but there were difficulties from other sources such as Radio Francaise-Asie. US does not agree with French opinion of Diem. If he had been a non-entity he would have collapsed but he did not. He showed so much ability that US fails to see how he can be got rid of now. It is assumed that France would not wish to do so by force.

Diem is stronger now than when Bao Dai first withdrew his powers. Worst aspect is that problem involves difference of opinion between France and US. Vietnam is not worth quarrel with France. Common interests are too great to be jeopardized by difference of opinion on Vietnam. Secretary agreed with French statement that it must not affect Franco-US relations in other areas. If it would solve problem, US would withdraw and drop its support of Vietnam. Franco-US differences must be resolved now for Secretary did not believe that US Congress would continue with its present aid program otherwise. Substantial sums of 4 to 5 hundred million dollars are involved.

Choice open to US is to have Diem supported or to withdraw. It is grave problem which the Secretary would like to think about overnight. French suggestions are serious and must be weighed carefully.

Advice and counsel are needed. US interest in Vietnam is simply to withhold area from Communists. US will give consideration to any suggestion French make but must warn that US financial support may not be expected to any solution which Secretary can think of as alternative to Diem.[5] Question must be taken up again tomorrow.

Macmillan stated that British interests in Vietnam were more indirect but nonetheless vital because (1) interest in area itself and (2) interest in Communist threat from any area in world. It would be grave error to reach decision that evening. Foreign Ministers are to be in Paris several days and should look into matter again. Events might overtake our decisions. Accurate review of what has been said should be undertaken and effort to ascertain facts should be made by all sides. It is important that nothing be released of what had been discussed during meeting as leak would be calamitous. Believe efforts should be made by all to think seriously of what has been said and keep contents absolutely secret.

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[5] In Dulte 2, May 7, 11 p.m., Dulles reported to the President on the day's events. Included in the cable was the following excerpt on this first tripartite discussion on Vietnam:

"Then we met alone with the French, being joined after a time by the British for discussion of Indochina. Here Faure proposed that in view of the sharp differences of opinion which existed between our two governments with reference to policy in Vietnam and in view of his government's total inability to support Diem, who had now become violently anti-French, he proposed that the French should withdraw their forces from Vietnam. He raised the question as to whether in this event we would be able to give any assurances regarding protection of lives and property of remaining nationals.

"I replied that this was too serious a matter to settle without deliberation, and that I agreed that Vietnam was not worth a quarrel between France and the US. If we could not agree, then one or the other should withdraw from the scene, as we could not afford to oppose each other in this area and adopt rival and competitive policies. I said that the US would be willing to withdraw, and indeed I could not have any good hope that Congress would appropriate the necessary funds for US to support the situation if we withdrew support from Diem and sought an alternative which Faure himself said he could not now define. My guess is that the French are not bluffing and that his proposal may be the agreed solution." (Department of State, Central Files, 396.1/5–755)

According to Tedul 2 to Paris, May 8, Eisenhower's "only comment on Vietnam section of Dulte 2 was to reiterate position that U.S. could not afford to have forces committed in such undesirable areas as Vietnam." (*Ibid.*, 751G.00/5–855)

In a later report to the President, Dulte 12, May 9, Dulles described inter alia to Eisenhower a discussion with Pinay which went as follows:

"Pinay also told me privately that he did not think that Faure meant what he said when he proposed to withdraw the French troops. Pinay implied that Faure was bluffing because, Pinay said, it would be 'unthinkable' to abandon southern Viet Nam to the Communists. This is another matter where Faure and Pinay differ sharply, but Indo-China is not under the jurisdiction of the Foreign Minister, but under the Minister for Colonies, and Faure is in fact running that and alone dealing with Indo-China to the exclusion of Pinay." (*Ibid.*, 396.1/5–955)

Faure agreed with Macmillan, stating that he had never expected decision that evening. Experts should get down to work immediately and prepare for decisions as events are changing hourly.

Meeting closed with general discussion concerning schedule for further talks on Indochina and forthcoming visit of Foreign Ministers to Vienna.

A discussion ensued concerning text of communiqué.[6] Secretary rejected proposal of meeting of experts before next discussions on Indochina by Foreign Ministers now scheduled for May 10.

Dulles

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[6] No text of a joint communiqué has been found. According to the text of a confidential press briefing by Dulles, May 7, the French issued a communiqué after this meeting. (*Ibid.*, Conference Files: Lot 60 D 627, CF 445)

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178. Telegram From the Secretary of State to the Department of State[1]

Paris, May 9, 1955—1 a.m.

Secto 11. (1) Following yesterday's tri-partite meeting[2] we emphasized to Berard and Faure Collins' estimate of situation as given in Saigon's 5074 to Department[3] including particularly his conclusion that unless wholehearted agreement and coordination between Viet Namese, Americans and French were secured, we should withdraw from Viet Nam. They commented that there seemed to be one basic divergence between U.S. and French estimate of situation. U.S. believed that events of past week had strengthened Diem; French information was that he was in weaker position than ever.

(2) This morning Achilles met with Berard at latter's request, Dennis Allen of British Foreign Office and Riley of British Embassy present. Berard read parts of Ely's latest telegram of which principal points were as follows:

Diem's apparent success rests in fact on present disorderly and chaotic conditions. Army had not been able to follow up its success in Saigon by further operations to destroy Diem [*Binh*] Xuyen. Sect problem was unsolved with each in control in its own area and army unable to suppress them there. Present disorderly conditions provided fertile field for Communist efforts. At yesterday's meeting of Revolutionary Congress Son[4] had declared Ho Chi Minh only person really working for Viet Nam. Ely concluded that Diem could be saved if at all only by support of French, U.S. and U.K., sects, army and Bao Dai.

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[1] Source: Department of State, Central Files, 751G.00/5–955. Top Secret; Priority. Repeated for information to Saigon.

[2] Reference is to the meeting described in Secto 8, *supra*.

[3] Document 173.

(3) Berard also read from what he described as summary of available French intelligence. High points were:

Diem's use of force against sects had brought about conditions which facilitated Communist infiltration and Communists were now making most of it through Revolutionary Committee. Typical Communist tactics were in evidence. Information previously given concerning Communist background or connections of Son, Lang and Kon repeated. New themes being used by propaganda apparatus in South Viet Nam stressing peace, overthrow of Bao Dai and removal of FEC were typical Communist themes and similar to those which had been used for some time in North Viet Nam.

(4) Berard described French position as follows:

They were convinced Diem weaker rather than stronger as result of struggle against sects and current chaos. Anti-French sentiment was growing under Diem's encouragement. As anti-French feeling was his only asset, it was naturally hard for French Government to support him. French questioned whether loyalty of army could be counted upon to serve under Ty or Don. It had supported Diem because he represented legal government. If Diem broke with Bao Dai, army would be faced with choice between loyalty to Bao Dai and going along with Revolutionary Committee. French thought it might still be possible to develop broadly based government and, while prospect of Diem heading it caused French doubts and difficulties, they could still envisage it. They continued to wish to utilize Bao Dai not as individual but as sole available source of legality for governmental changes and thereby as stabilizing influence.

(5) Achilles cited four possible alternatives:

a. French withdrawal as suggested by Faure and of which President had been advised.

b. U.S. withdrawal which Collins envisaged if new solution having wholehearted support of all concerned could not be obtained.

c. Withdrawal of both French and U.S. efforts.

d. Reorganized and broadly based government including Diem provided wholehearted French and Viet Namese support could be obtained. He emphasized that such arrangement would require much more wholehearted French support at all levels than in past since French, without acting in bad faith, had nevertheless permitted their doubts as to Diem's ability to succeed to color their thinking for a long time. Berard remarked that Diem had been initially chosen by French because they thought he had best chance to succeed, that cooling of their support in recent months had been due to their growing belief he could not succeed, and that French support could be counted upon if new arrangement could be reached which they felt showed reasonable chance of success.

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[4] Hom Pan Son, Vice President of the Committee.

(6) British took no part other than to indicate general interest and desire to be kept informed.

(7) We are arranging further bilateral ministerial meeting Tuesday,[5] perhaps with British observer present, and probably further tripartite meeting Wednesday.[6]

Dulles

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[5] May 10; see Document 184.

[6] See Document 186.

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179. Telegram From the Acting Secretary of State to the Secretary of State, at Paris[1]

Washington, May 9, 1955—5:58 p.m.

Tedul 9. Eyes only Secretary. Re Dulte 8[2] following is text of JCS paper submitting their views on Indochina.[3] Paper has been concurred in by Secretary of Defense.

"1. The Joint Chiefs of Staff submit herewith their views regarding the military aspects of the problem presented in the attached excerpt from a telegram from Mr. Dulles to the Department of State.

2. The situation as depicted in the telegram from Mr. Dulles appears to present the United States with a choice between:

a. Continuing to support the Diem Government in Vietnam—which would result in the withdrawal of French forces from that country; or
b. Withdrawing United States support from Vietnam—allowing the French to deal with the situation as they deem fit.

3. The Joint Chiefs of Staff consider that the question as to whether the United States should or should not continue to support

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[1] Source: Department of State, Central Files, 751G.00/5–955. Top Secret; Niact. Drafted by Walter K. Scott, the Executive Secretary of the Department of State.

[2] Dulte 8, May 8, reads as follows:

"Re Dulte 2, it would be useful to have the views of Defense and Joint Chiefs on military aspects Faure's proposal re Vietnam, if it is possible before our next discussion on this matter Tuesday, May 10, 4 p.m." (*Ibid.*, 396.1/5–855)

For that part of Dulte 2 which deals with Vietnam, see footnote 5, Document 177.

[3] In its original form the JCS paper was a memorandum to the Secretary of Defense, May 9. (*Ibid.*, 751G.00/5–955) The text is printed in *United States–Vietnam Relations, 1945–1967*, Book 10, pp. 971–974.

the Diem Government, or any other particular Vietnamese regime, is one for resolution at the governmental level. Their comments relative to the alternatives set forth above are, therefore, limited to their military implications.

4. It is considered doubtful that the Vietnam National Army (VNA), in its present state of development and unassisted by other forces, can continue to maintain internal security under the conditions of near-civil war now prevailing in Vietnam. There is even less likelihood that the VNA could offer more than a token resistance to external aggression. Further, it is open to question whether the VNA would be loyal to the Diem Government under all circumstances. The presence and cooperation of an outside military force is therefore essential at this time if Vietnamese security and integrity are to be assured. The United States is debarred by the provision of the Geneva Agreement from providing such forces, and could therefore give no assurances regarding the protection of lives and property of French or any other foreign nationals. While the withdrawal of the French Expeditionary Corps is ultimately to be desired, it is considered that a precipitate withdrawal now would be likely to result in an increasingly unstable and precarious situation. This situation would undoubtedly be exploited to Communist advantage, with the probable eventuality that South Vietnam would be lost to communism.

5. In the face of the strong anti-French sentiment which has developed in Vietnam, there now seems little prospect that France alone can provide either the leadership or the resources required to establish a stable Vietnamese government. Without United States moral and material support it cannot be expected that the VNA would develop into a cohesive military force or maintain even its present limited effectiveness. Without effective indigenous forces and without a Vietnam government which can command the loyalty and support of its people, the French Expeditionary Corps (FEC), judged by past performances, would be incapable of preserving the security and integrity of Vietnam. It can therefore be expected that, following the pattern which led to the loss in the North, South Vietnam would, in due course, fall to the Communists.

6. For the foregoing reasons, the Joint Chiefs of Staff consider that neither of the alternatives suggested represent acceptable solutions to the problem of Vietnam at this time. They feel it to be in the best interest of France as well as of the United States that every reasonable effort be exerted to preserve South Vietnam from communism. It is their opinion that the present situation, involving armed resistance against the established governmental authority and the dangers inherent in the role assumed by the Revolutionary Committee, requires the utmost in cooperation and energetic action by the

Vietnamese, United States, and French Governments toward the restoration of internal order and governmental control in Vietnam. It is considered that this should constitute the immediate joint objective. The Joint Chiefs of Staff recommend that Mr. Dulles be advised that from the military point of view:

a. The government of Prime Minister Ngo Dinh Diem shows the greatest promise of achieving the internal stability essential for the future security of Vietnam.

b. The United States could not guarantee the security of the French nationals should the French Expeditionary Corps be withdrawn.

c. Possible United States actions under the Southeast Asia Collective Defense Treaty could ultimately afford security to South Vietnam equal to that provided by the continued presence of the French Expeditionary Corps.

7. The above comments are submitted without benefit of the specific views of Ambassador Collins, which have been requested by the Secretary of State. They should, therefore, be considered as tentative and subject to possible revision in the light of his reply."

Hoover

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180. Telegram From the Special Representative to Vietnam (Collins) to the Embassy in France[1]

Saigon, May 9, 1955—9 p.m.

1323. Tosec for Young. Ref Paris tel sent Saigon 717 rptd Dept Dulte 9.[2]

A. Reference Faure's suggestion that FEC might be withdrawn shortly.

1. There are three military reasons why FEC should remain in Vietnam, at least until July 1956:

a. If FEC should be withdrawn from Vietnam, a strategic military vacuum would be left in this area which could be dangerous. As it stands now, France has accepted major strategic responsibility for the defense of Vietnam, Laos and Cambodia, under the broad aegis of the Manila Pact. I doubt if the US, British Commonwealth, or India is prepared to step in now and assume this responsibility.

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[1] Source: Department of State, Central Files, 751G.00/5–955. Top Secret; Limit Distribution. The source text is the copy repeated for information to the Department of State for Robertson.

[2] Telegram 717 from Paris to Saigon, May 8, reads as follows:

"Would like your reaction on Faure's concluding remarks re FEC contained in our telegraphic summary reference telegram [Secto 8]. Saturday trilateral session on Vietnam. Also your evaluation what risks facing French Nationals if FEC withdrawn quickly." (*Ibid.*, 751G.00/5–855)

b. As long as ICC is functioning in Vietnam, I feel there is no danger of Viet Minh launching an attack across 17th parallel. If for any reason ICC should disband, or if about time scheduled for elections under Geneva Accord Viet Minh become convinced that they cannot win such elections or that elections may not be held, there may be danger of Viet Minh attack. Only real safeguard against this latter contingency lies in declaration of Manila Pact powers. It appears quite clear that only military action, if any, that might be taken by Manila Pact powers, would be to employ air and naval action against Viet Minh. I assume the application of this power would not be limited to North Vietnam, but might be extended to China if there were clear indications that Viet Minh attack was being supported by China. However, in addition, in my judgment, there would have to be naval and air action in South Vietnam against the Viet Minh in order to prevent the latter from overrunning all of South Vietnam. Such overrunning could not be prevented by naval and air action alone, as was clearly demonstrated in Korea. It would be necessary to have some land forces which could fight delaying actions from 17th parallel to defensive positions covering the vital Saigon–Cap St Jacques area and to conduct defense latter area. Vietnamese army alone could not provide effective forces for this purpose. Aside from the technical skill required to conduct delaying actions, a force trained in coordinating and directing the application of air power in connection with ground operations would be essential. The FEC alone is competent to perform such operations and such coordination.

c. Second military reason for desiring retention of FEC is that under the Geneva Accord limiting the introduction of additional foreign military personnel, the FEC is an essential element in reorganizing and training Vietnamese armed forces. FEC will furnish bulk of instructors and, for some time to come, many of the technical advisers. In addition, the FEC still provides almost complete logistical support for Vietnamese forces. FEC could possibly leave behind only the essential supply and depot troops necessary to handle supply installations until Vietnamese army is ready to take them over. Similarly, a French training mission could be retained under our Chief of MAAG.

2. In addition to the strictly military questions involved in retaining FEC in Vietnam, there are also closely related political questions. I recognize that presence FEC, in recent weeks particularly, has lent itself to propaganda that "colonialists" were using this military force to resist the will of the "people" to liquidate Binh Xuyen, repudiate Bao Dai, consolidate Diem regime and constitute popular assembly. Whatever elements of validity there may be in this criticism, I believe we must not lose sight of fact that FEC may have prevented more dangerous elements, with or without Viet Minh complicity, from overwhelming Diem and paving way for eventual Viet Minh takeover. Whether or not FEC should be retained on purely political grounds can be reasonably debated on affirmative and negative sides.

On balance, however, is clear that presence of FEC exerts desirable moderating influence.

B. Reference Secretary's question regarding risks faced by French nationals if FEC were quickly withdrawn.

1. If FEC were withdrawn precipitately under present conditions, that act would set official seal on basic break between French and Vietnam. Consequences which would follow would depend on manner in which FEC were withdrawn:

a. The FEC might be withdrawn in a calm and measured manner, with the minimum of friction and ill-feeling and with some French expression of confidence in security of the situation they were leaving, or

b. Withdrawal might be made in petulant and aggravating manner which would create great deal of ill-feeling and sense of insecurity.

2. a. Under conditions 1a. above, there would probably be no great danger to French or other foreign community although isolated incidents might occur. Certain evacuations of French women and children have already taken place without event.

b. If condition 1b. develops, as might be the case in present French mood, there could be serious disturbances which might lead to panic, particularly if the withdrawal were precipitate. The present violent anti-French campaign being waged by certain elements in Vietnam would be inflamed by French action and could lead to serious outbreaks. Viet Minh could be counted on to stimulate such troubles.

3. An important element to consider would be effect of FEC withdrawal on economic situation in Vietnam. French business interests play a most important part in Vietnamese economy.

a. If FEC withdrawal were under condition 1a. above, we believe there would be no major exodus of French business firms and that those which wished to remain could do so and successfully conduct their business.

b. If, however, withdrawal should be under condition 1b., wholesale evacuation of French commercial and business interests might well follow. This could create such conditions of economic chaos that the entire US effort in Vietnam, both military and economic, would be brought to standstill. This is because the commercial community, largely in French hands, generates the piasters which pay for these programs.

4. We believe it unlikely French would actually carry out a total voluntary evacuation of the FEC. French business interests are unable under present conditions to withdraw their sizeable remaining elements. We think it probable that they would be able apply sufficient

political pressure on French Govt to ensure continued presence of at least minimum military protection.

[Collins]

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181. Telegram From the Acting Secretary of State to the Secretary of State, at Paris[1]

Washington, May 9, 1955—6:47 p.m.

Tosec 10. For Young. Dulte 9 repeated Saigon 717.[2]

1. Believe Saigon in best position comment on risk to French Nationals if FEC withdrawn quickly. However, from Washington viewpoint we note following basic factors of problem: a) Seems doubtful FEC could be completely evacuated in less than several months at earliest. b) Presume Government Viet-Nam, if majority FEC withdrawn at French volition rather than ostensibly at demand of Vietnamese, might be able agree smaller FEC retain functions such as patrolling demarcation line, occupation Tourane and perhaps other bases and participation with U.S. in training of National Army. However we recognize this might not be politically acceptable to France. If on other hand, FEC appeared be expelled as result nationalist sentiments, then presumably exceedingly difficult for Diem or moderate elements to accept continuation limited FEC presence outlined above. Paradoxically, French initiative in offering withdraw FEC might result in Vietnamese request of continuation some elements, whereas if initiative seized by Vietnamese in demanding withdrawal under terms of Geneva Accord, likely such withdrawal would have to be complete. c) In general reduction or withdrawal FEC would have politically desirable effects local situation Viet-Nam, since it would remove last vestige colonial issue.

2. Regarding Faure's comments, we note he refers to Diem's request that French should go. We unable identify any such request by Diem although aware Revolutionary Committee first resolution which appears to have been dropped.[3] Saigon's clarifications helpful.

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[1] Source: Department of State, Central Files, 751G.00/5–855. Top Secret; Niact. Drafted by Hoey and cleared by Murphy, Sebald, Tyler, Stelle, and Hoover as well as Aurell of the CIA. Sent also to Saigon.

[2] See footnote 2, *supra*.

[3] According to telegram 4987 from Saigon, May 1, the General Assembly of Democratic Revolutionary Forces—as opposed to the Revolutionary Committee—circulated three resolutions. In the first the Assembly charged the French with instigating the Binh Xuyen "rebellion" and called for withdrawal of the FEC. (Department of State, Central Files, 751G.00/5–155)

3. Department's comments on Faure's question as to U.S. response if French were to retire entirely from Indochina and call back the FEC as soon as possible as follows: If French withdrew FEC, U.S. can obviously not assume responsibility for protection French nationals and property. French Government must have foreseen such eventuality when they agreed at Geneva withdraw FEC at unilateral request Viet-Nam Government.

4. Washington view is that French not bluffing and may very well take this opportunity to withdraw FEC.

5. In general we believe a) France may well withdraw major elements FEC at own volition, or that in any case; b) Vietnamese sooner or later will request withdrawal FEC; c) Withdrawal or reduction of FEC is not without positive political value in Viet-Nam and possibly to France although we recognize such might diminish whatever deterrent value FEC presence against Communist aggression constitutes; d) We believe from political viewpoint preferable to France and Free World if French should negotiate with Diem regarding at least limited withdrawal, which might result in retention limited FEC functions noted paragraph 1b. above rather than complete withdrawal at Vietnamese request.

6. JCS has sent military appreciation in separate message.[4]

Hoover

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[4] Document 179.

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182. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Paris, May 9, 1955—10 p.m.

Polto 28. For Collins. This morning Robertson, Young and Gibson met with Laforest, Berard and Risterucci at French request. Friendly but forthright discussion laid out frankly differing attitudes of French and Americans on various aspects Vietnamese crisis, except, of course, basic desire work together if possible for common objective of preventing Communist take-over.

Much of meeting spent by French in complaining about specific unfavorable U.S. press articles and in alleging U.S. subordinate officials in Saigon can be proved to have aided and abetted Diem's attack on Binh Xuyen and government's anti-French propaganda campaign. Robertson refuted these charges and enumerated some complaints about French behavior. Both agreed mutual recriminations would not be helpful and turned to immediate problems.

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[1] Source: Department of State, Central Files, 751G.00/5–955. Secret; Priority; Limit Distribution. The source text is the copy repeated for information priority to the Department of State.

Following seemed to be main points of Laforest's exposition:

(a) If U.S. insists on Diem, primary requirement is to reinforce Diem Government and make it really government of national union according to one of principles of original Ely–Collins seven-point program. French Government remains prepared to carry out its terms.

(b) French Government had tried to support Diem, but present hostility to Diem grows out of increasingly violent press attacks against the French. Diem himself has provoked this hostile attitude in France.

(*Comment:* While claiming Diem himself is using anti-French themes to build up his own strength, French officials, when pressed, admitted some of the anti-French activities are probably done without Diem's knowledge. French officials seem to be most upset over sound trucks moving around Saigon.)

(c) He took up question of FEC withdrawal by referring to Faure's proposition of last Saturday for "progressive reduction of FEC" which would allow Diem to say Vietnam is independent. If FEC should leave Indochina it would be in response to requests from various Vietnamese elements surrounding the government. If the FEC should leave and the requests of the Vietnamese be met in this respect, would the U.S. give assurances that it would take over responsibility for protecting European lives and property? Robertson reminded Laforest of Secretary's reply in trilateral meeting. Matter dropped.

Robertson informed Laforest of conclusions in Saigon's 5074,[2] paragraph 8(1)(a) to (g), para 8(2), and final paragraph of reftel. Laforest and Risterucci, in particular, reacted against suggestion French should make all-out declaration for Diem government. They also thought broadening of government should be carried out before other recommendations considered.

Robertson also told Laforest that Diem had told Collins ammunition and other shortages which French had refused to supply had prevented National Army from pursuing Binh Xuyen. French knew nothing about this and discounted Diem's statement entirely.

Dulles

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[2] Document 173.

183. Memorandum From the Special Representative in Vietnam (Collins) to the Ambassador-Designate to Vietnam (Reinhardt)[1]

Saigon, May 10, 1955.

SUBJECT

Status of Ely–Collins Seven Point Program.

1. You are familiar, I believe, with the seven point program which General Ely and I developed some months ago, outline of which is contained in Embtel 2004, November 29, 1954 (see attached).[2] Both General Ely and I feel that the implementation of this program is essential if South Vietnam is to be saved from the Viet Minh.

2. Unfortunately, for a variety of reasons, very little actual progress has been made in converting these programs from paper plans into actual achievements. The primary reason, in my judgment, has been the failure of Diem to organize an effective cabinet of strong and able men and to decentralize to these men the power to act within their assigned ministries.

3. I would suggest that you continue to use every legitimate pressure that can be brought on Diem to implement these programs.

4. The current status of the programs is as follows:

a. Armed Forces

(1) *Reorganization and Reduction of the Armed Forces.*

(a) The agreed structure of the Vietnamese Armed Forces as officially proposed by Defense Minister Minh, with the approval of President Diem, is contained in a letter to me from the Minister of Defense Minh dated January 19, 1955.[3]

(b) The approved structure will have to be modified somewhat to take care of the integration into the Army of a larger number of Cao Dai and Hoa Hao forces. A study of the necessary changes has just been completed and is contained in outline form in Embtel 4373, April 6.[4]

(c) Because of difficulties with the sects, the rate of reduction of the Army has been considerably slower than originally planned. Furthermore, the internal situation in the country will prevent the early initiation of a revised selective service system. It had been planned to initiate on September 1, 1955, a system of drafting 10,000 men each four months. These men were to undergo an intensive period of training before being passed into the ranks of the active forces. As each group of 10,000 entered the active ranks, an equivalent number of old soldiers, now paid at a very high rate of pay, were to be discharged. During their period of training, the recruits were to receive pay at the rate of 50 piasters a week. Thereafter, their base pay in the Army was to be 100 piasters a week. It appears now that this system cannot be initiated before January 1, 1956.

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[1] Source: Department of State, Central Files, 751G.00/6–255. Secret. According to a covering letter to Young from Collins' executive officer, June 2, Collins gave this report to Reinhardt in Hawaii on May 20. This copy was given to Young because it was the final version of Collins' last official report on Vietnam.

[2] Telegram 2004 was not attached to the source text; for text, see *Foreign Relations*, 1952–1954, vol. XIII, Part 2, p. 2315.

[3] The text of this letter is in telegram 2876 from Saigon, January 21. (Department of State, Central Files, 751G.5–MSP/1–2155)

[4] See footnote 2, Document 105.

(d) In consequence, although current plans call for reducing the total strength as of the end of the year to 100,000, of whom 10,000 were to be inducted recruits drawing the reduced pay, it may be necessary to retain in the active service until December 31, 1955, approximately 110,000 officers and men all paid at the present high rates of pay. These necessary changes, together with plans for demobilizing all sect forces not inducted into the National Army, will require approximately $40 million additional US funds above the figure planned for CY 1955. When I was in Washington recently, I initiated arrangements with FOA to secure these additional funds with the tacit approval of the Secretary of State. Formal approval has not yet been received. On 10 May I sent a formal request to Washington for the necessary funds (see Embtel 5173, May 10, 1955[5]).

(2) *Training.*

As the US component of TRIM increases and the US MAAG builds its strength toward the 342-man ceiling to which the US has agreed, more US officers are moving out into the field to advise Vietnamese units on the ground. This program is proceeding satisfactorily. There *are* US officer-advisers in all three field divisions, with all three regional headquarters, and with the schools and training centers thus far established.

(3) *Autonomy of Armed Forces.*

It is still contemplated that the French will grant full autonomy to the Armed Forces by 1 July of this year. They will have removed by that date all French officers in command and staff positions, and Vietnamese officers will replace them. French advisers, a part of the TRIM organization, will continue to assist in development of the Vietnamese Armed Forces.

(4) *Orientation of the Armed Forces to Support of the Government.*

When I first arrived in November 1954, the Chief of Staff, General Hinh, was, in effect, in open rebellion against President Diem, and although no actual fighting of any consequence had taken place, the situation was quite critical. Shortly after I arrived, due to various pressures applied on Hinh the latter was recalled to France. Since that time, until the recent fighting, the loyalty of the Army was somewhat in doubt. As a matter of fact, the French did not believe that, in the event of fighting against sect forces, the Army would support the Government. The latter prediction, however, did not turn out to be correct, for the Army, up to the present, has given the President its complete and wholehearted support, with but few minor exceptions. By doing so, the Army has supported the legal Government of Vietnam. Where its loyalty will lie in the event that

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[5] Not printed. (Department of State, Central Files, 751G.00/5–1055)

Bao Dai were to remove Diem from office, is a moot question. However, I believe that the Army would remain loyal to the President of the Council. There might be some tense moments of indecision amongst the leaders of the Army if such eventualities were to arrive, but I believe that the inherent dislike of Bao Dai and the possibility of the return of a type of French colonalism if he were to regain power, would influence the Army to back the President of the Council.

(5) *Pacification and Rehabilitation.*

In addition to basic reorganization and training of the Army, our MAAG has had an active part in developing plans for pacification of the country and reoccupation of areas formerly occupied by the Viet Minh. The physical reoccupation of former Viet Minh territories will be completed shortly. The Vietnamese National Security Action Program, which is the name of the pacification operation, is being monitored for our Agencies in Vietnam by the National Security Division of TRIM under Colonel Lansdale. Although the operation at the Camau Peninsula last March was the first operation of this type conducted by the National Army, it was carried out quite effectively and the recent reoccupation of the Binh Dinh area is proceeding even more successfully. However, although these two actions have been conducted satisfactorily, I would advise you to keep your finger closely on the overall Pacification and Rehabilitation Program throughout the entire country. Much needs to be done in the actual reestablishment of controls, both civil and military, over these regions. I would suggest that you have the TRIM staff of MAAG give you a briefing on these plans.

b. Resettlement of Refugees and Displaced Persons.

(1) Generally speaking, the reception and temporary housing of refugees from Tonkin area has progressed satisfactorily. By the time you arrive in Saigon the period set for wholesale evacuations will have been completed. However, a trickle of refugees across the 17th parallel will probably continue for some time to come.

(2) Something over 200,000 of the 650,000 refugees have been settled in areas where the Commissioner of Refugees believes they can reside permanently. The bulk of the others are earning a scanty living in the vicinity of temporary villages where they are now sheltered.

(3) Plans had been laid to settle the bulk of the refugees in the rice-producing areas of Cochin-China. Unfortunately, the action of the "United Front" of the sects and the covert opposition of the sects to the settlement of Northern refugees in the areas under their feudal control, has greatly interfered with this program.

(4) Aside from the opposition of the sects, a larger obstacle has been the failure (until last week) of Diem to appoint a Minister of Interior, and to press the establishment of sound local governments throughout the newly-freed areas. I had originally urged Diem to designate a Vice-President to coordinate the operations of the Ministers of Defense and Interior in the pacification program, but this he refused to do. Unfortunately, in the new Government, he has personally retained the Ministry of Defense which will continue to make it difficult to obtain this essential coordination. Perhaps you

can persuade him to give some real authority to Mr. Cung, in the personal entourage of the President, the man who is *supposed* to be exercising this coordination.

(5) The appointment in the new Cabinet of [name and title deleted], is a hopeful sign. I have already instructed Colonel Lansdale, who has been acting as my coordinator under MAAG, for the implementation of the pacification program, to brief [name deleted], in the presence of [name and title deleted] and Mr. Cung on the details of the program and point out things that need to be done. This must be followed up also by representatives of the other Chiefs of US agencies involved in the pacification program.

c. The Agrarian Reform Program.

(1) Closely related with the problem of the resettlement of refugees is the agrarian reform program on which I would suggest you have a briefing by Mr. Barrows and his Assistants.

(2) This program has been interfered with by the actions of sects, and the lack of action on the part of appropriate Vietnamese governmental agencies.

(3) I regard this program as one of the key elements in the cold war fight against the Viet Minh. If the sects accept the broad program we have developed for their integration into the normal life of Vietnam, this agrarian reform program can be made to go forward. Much still needs to be done. I highly recommend that you read Mr. Ladejinsky's excellent report on this subject.[6]

d. Formation of a National Assembly.

(1) One of the essential weaknesses in the governmental structure of Vietnam is the absence of any National Assembly. Without such an Assembly the only legal authority in the Government rests with Bao Dai who has the tenuous power of being able to appoint the President of the Council of Ministers and exercise many other controls.

(2) Unfortunately, the recent revolt of the Binh Xuyen has completely upset plans for a Provisional National Assembly which was to have been elected on the 15th of this month. These plans have been suspended indefinitely.

(3) It is too early to say what will be the outcome of the actions by Bao Dai, the Revolutionary Committee, and the Estates General. Diem's present plans appear to call for the election of a National Assembly sometime within the next three to six months. I have instructed Mr. Meloy, the Chief of the Political Section, who has been monitoring this program, to keep in touch and establish contact with the appropriate officials of the new Cabinet, and to aid in every way in the development of plans for the election of a National Assembly as promptly as possible.

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[6] Apparently Collins is referring to Wolf I. Ladejinsky's "Field Trip Observations in Central Vietnam", April 2, and/or his "Field Trip in South Vietnam", undated, both of which are *ibid.*, S/P–NSC Files: Lot 62 D 1, NSC 5519.

e. Financial and Economic.

(1) Under this heading a National Bank has been established, a sound budgetary system is being developed, and plans are underway for a system of export and import controls.

(2) The necessary formal papers have been signed covering the commitment of US funds.

(3) There are still gaps in this program, however, and I would suggest a briefing at an early date by Mr. Gardner Palmer, who has been monitoring this program.

f. Education and Cultural Assistance Program.

(1) This program was suggested by the French primarily, I fear, as a safeguard to French cultural interests in Vietnam. The French are very sensitive on this subject. They fear that the English language may displace French, and American methods of administration and education will gradually displace French procedures. In consequence, they have tried to restrict the number of officers and men to be sent to American military schools, and opposed the introduction of American advisers into the various ministries.

(2) Nonetheless, they reluctantly agreed to the establishment of an Institute of Public Administration in Saigon to be operated under the direction of the Michigan State University. Considerable delays developed in Washington in consummating this contract, but it has finally been signed and the Director and small staff will arrive in Saigon shortly.

(3) The French have also finally agreed to the establishment of an International Center for the teaching of foreign languages, including English. This program is being supported by the USIS.

(4) In addition, through USOM, we are furnishing assistance along with the French to develop normal schools and otherwise improve the Vietnamese educational system.

g. Reorganization and Increased Effectiveness of Vietnamese Government.

(1) The original Diem Cabinet contained very few men of ability and had a very narrow political base. Unfortunately, every effort to persuade Diem to take into his Cabinet men of ability has met with failure. Instead, because of the President's method of operating, he has lost practically all of the able men who were in his Cabinet.

(2) It is too early to say how the new Cabinet will function. Very few of its members have had any experience in public life, and their capabilities are unknown. Fortunately, a Minister of Interior has finally been appointed but the President retains the Ministry of Defense, a condition which in the past has been a detriment to the operations of this key Ministry.

(3) Another essential weakness in the Government structure has been the hodgepodge of administrative arrangements between the National Government and the regional, provincial, and community governments. One of the functions of the Institute of Public Administration, under the direction of Michigan State University, will be to make a study of these relationships.

(4) Finally, a decision must be reached by the Vietnamese people as to the ultimate structure of their Government and its relationship

to the French Union. You are familiar with the current struggle between Bao Dai and Diem and their respective adherents, with the French actively engaged in the background.

5. Rather than discuss, in this report, our plans (a) for reorganizing the National Police establishments and (b) for integrating sect forces into the National Army, I have attached drafts of both,[7] so that, if you desire, you may become well acquainted with them prior to your arrival at Saigon. I would advise that you review these plans, together with the conscription program for the Armed Forces, with your advisers in Saigon and then discuss them with President Diem and the appropriate members of his new government at an early date.

6. Thus, though you can see much has been accomplished to assist Vietnam to establish a strong viable government and economy, much remains to be done. The problems involved are full of so many unpredictable factors and the situation is so volatile that anything can happen. You have a formidable task awaiting you and I wish you the very best of success in your mission.

J. Lawton Collins

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[7] Neither of these draft plans is attached to the source text; a discussion of these issues and recommendations of action is in despatch 358 from Saigon, April 28. (*Ibid.*, Central Files, 751G.5/4–2855)

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184. Telegram From the Ambassador in France (Dillon) to the Department of State[1]

Paris, May 11, 1955—8 p.m.

Secto 36. Second tripartite meeting on Vietnam took place Hotel Matignon 10:30 p.m. May 10. US Delegation headed by Secretary, Robertson, Dillon, Merchant, and MacArthur; French by Faure, Pinay and Laforest; UK by Caccia and Allen (in Macmillan's absence).

Faure opened conversation by expressing regret at Diem's initiative in reorganizing govt while conversations taking place Paris.[2] Commented on increasing violence anti-French propaganda in Vietnamese press Saigon. Since previous meeting French had given careful study to question and would have something specific to say. Regrettable that Diem was facing us with fait accompli before we could agree on plan.

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[1] Source: Department of State, Central Files, 751G.00/5–1155. Top Secret; Niact. Repeated for information priority to Saigon.

[2] According to Tosec 17 to Paris, May 10, South Vietnam's reorganized cabinet, announced by Diem on May 10, was a compromise between representatives of political groups and technicians. The cabinet was not made up of men of stature; they were, however, all Diem loyalists. (*Ibid.*, 751G.00/5–955)

Secretary replied that he had made some notes which gave general lines of US thinking. They did not put forward suggestions of concrete character and were not to be considered as official document, aide-mémoire or otherwise (Secretary gave copy to Faure). Principal points Secretary's paper[3] (full text will follow in minutes) was that (1) Indochina as important as it is does not justify being source serious discord between France and US; (2) both France and US have offered to withdraw their interests if it would improve matters. US offer stands. If French withdrew US would continue support anti-Communist nationalist govt in Vietnam but would hope Franco-US cooperation would not make it necessary for US do so alone; (3) US would use its influence with any Vietnamese Govt to protect French lives and property if French forces should be withdrawn. US does not believe Vietnamese army yet in position to control situation and notes that Geneva Accords may preclude introduction of any fresh US military forces; (4) US hopes that common Franco-American policy can be arrived at. US could not accept arbitrary removal of Diem from power. Could not French bring themselves to support Diem with strengthened govt pending representative process to establish new govt which might or might not include Diem? US would use its offices to support such electoral procedures. US has already urged moderate policy upon Diem and will continue do so.

Faure expressed agreement with (1) and (2). Commented that it was difficult for one country to abandon its deeply-held convictions in favor those of another. Expressed conviction that if one country should leave Vietnam would in effect mean abandonment by both. Would be deeply regrettable for common interest.

Secretary reiterated that US would continue support independent anti-Communist Vietnamese Govt even if French should evacuate Vietnam but observed that chances of success would be less.

Faure stated that when he had suggested that French withdraw he realized that implementing such step would entail delays. Would have to be accomplished in manner designed avoid any indication that it was result of Franco-US clash. Would be progressive. During French review of last few days it was generally agreed that situation although very bad did not preclude finding certain common ground in Franco-US views and, if developed, this common ground might permit eventual support by both countries of common policy. Last paragraph Secretary's paper provided such common ground. Prospect of reenforced govt until electoral procedures for formation National Assembly established appeared to French as acceptable policy. Could lead to eventual govt which might or might not include Diem. French do not consider steps Diem took May 10 to enlarge govt as those which they regard as necessary. They involve increase in personnel without increase in political representation.

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[3] Not found in Department of State files.

Faure observed that during last few days there have been indications in press that France had chosen policy of collaboration with north as against that with south. He wished deny this emphatically. Completely false that France is playing "double game". French now prepared to take specific steps to disprove it. French proposal is as follows: Taking last paragraph of Secretary's paper as framework French agree: 1) Abandon demand that Diem be replaced. Faure prepared to make this concession in recognition difficulties US Congress and public opinion. Represents very hard decision for Faure personally and his govt politically. Earlier during day delegations of Deputies had called upon Faure demanding that he hold firm. Nevertheless Faure now agrees not only to relinquish demand that Diem go but to support him fully as head of govt. However France agrees to this only on condition that: (1) Govt is broadened into real govt of national union; (2) Vietnamese Govt cease its anti-French propaganda.

Faure enlarged upon foregoing, stating that if it is agreed French will make conscientious effort support Diem. He observed that this means that if there are complaints about individuals on both sides who do not conform to policy, attention will be drawn to this fact and changes of personnel will take place. French and Americans must admit to each other that certain individuals make policy difficult. French prepared guarantee they will carry out their share and if necessary remove individuals concerned on understanding US will reciprocate. Broadening of Diem govt must be political broadening. Personalities must be admitted to govt who represent political factions and not simply individuals, no matter how highly qualified.

Faure continued to observe that as far as sects were concerned, their rallying to govt must be obtained, this task should be easier if govt is truly one of national union and enjoys support of French and US Govts. No further disorders can be countenanced and force must not be used to settle disagreements. Solution must not require "extermination of sects", rather must they adjust themselves to new enlarged govt. Members of sects are indeed in many instances "gangsters" but others have in past been loyal. Many have decorations for their gallantry in fighting Vietminh during war. We must take steps to prevent sects from going undergound into guerrilla activity. In French opinion primary effort should be made to rally them as soon as govt enlarged. French guaranteed to assist in bringing this to pass and not, as has been falsely stated in past, to assist sects in activity against govt.

French agreement to this plan does not mean, Faure continued, that they are any more convinced than ever that Diem will prove to be good Minister. They still think that they should give him fair chance.

Faure turned to his third point remarking that French deplored Diem's attacks against French. Diem used method of attacking Fr as means inflating himself and acquiring popularity. Fr cannot support govt if it pursues such tactics. Even if Faure personally agreed to do so French Parliament would not permit it. US must make Diem renounce such attitude. French believe that in excusing such methods Diem exaggerates importance anti-French propaganda in Vietnam. If French should agree to support him there is no need to carry on anti-French tactics.

Faure turned to question Expeditionary Corps, observing that France will continue plan of repatriation on gradual scale in order prove that they do not wish maintain armed force Vietnam as means holding on to their own authority. Expeditionary Corps will be withdrawn down to a certain level which US and French will agree to in advance. Such withdrawal should have effect proving to Viet Govt sincerity French intentions. One possible step, as suggested by Minister Laforest, would be gradual withdrawal French forces to Cap St. Jacques where they would be less conspicuous.

Faure then turned to Bao Dai, observing that in interest of formula suggested above it is best to use Bao Dai to provide legality needed to support program. This must not be interpreted as indicating French approval of Bao Dai personally. They think he about "used up" but nevertheless recognize fact that he represents legality and provides principle of legitimacy which may prove valuable in future. French believe that Bao Dai should be told of what has been decided in these meetings. Would welcome US view this regard.

In closing Faure resumed that difficult and most important point of their plan is to achieve true broadening of govt. Observed that it is difficult to view problem from Paris. Only experts on spot are really qualified to pass judgment and French hope that Ambassador Reinhardt and General Ely will be given full authority to take decisions on spot.

Caccia stated that main UK premise was that allied policy be fixed which all can support. UK did not believe that "game was lost" but rather that it had chances of being won if played together. UK had requested expression of views on subject from Malcolm MacDonald who had just cabled them from Saigon. His main points were (1) Diem is in very strong position and in fact in control whether we like it or not; (2) Paramount need is for broadening national admin, representing maximum possible control. Therefore, UK hopes Diem will enlarge govt by encouraging all elements with exception Vietminh; (3) Full discretion and authority should be given to Fr and US representatives on spot as to how this should be done; (4) If Diem after reasonable time still balks his replacement by another should be considered with Diem possibly retained to take ministerial post in govt, but at this stage this need not be considered.

Caccia observed that MacDonald suggestions little different from those Dulles and Faure and should provide basis for moving ahead. He agreed fully with Secretary's statements on Expeditionary Corps. UK agreed that Vietnam army not yet capable of controlling situation. UK and MacDonald believe that withdrawal FEC would create vacuum from which only Vietminh would profit. They are convinced that FEC provides stabilizing factor. Caccia added personal observation that from his experience in Greece in 1944 and 1950 it was proved to him how essential it was to have some reserve power on the spot to avoid putsch which is always possible against weak govt.

Faure observed that MacDonald's views carried great weight because of his wide experience in area. He hoped MacDonald would cooperate with Reinhardt and Ely in formation future recommendations.

Secretary observed that since we were speaking very frankly in his opinion plan seemed acceptable, but he was not sure we see situation alike from standpoint of spirit of occasion. He observed that while Diem lacked many qualities and was by no means a perfect head of govt he should not be regarded as calamity which we must bear but rather as emergence of nationalist anti-Communist force which was needed if country was to be saved in end from Communist control.

Diem is not person to whom one can dictate. US cannot undertake to force upon him govt or policies which he does not like. We will do best we can. He has mind and will of his own and fact that he has survived proves he has virtues not easily replaced. Any man who would blindly accept US bidding would not be worth supporting. We must reconcile ourselves to fact that Diem may be anti-French and may later become anti-American. Secretary cited example of Syngman Rhee[4] who although at times anti-US and anti-Dulles represented independent qualities of man who not amenable to direction. These things are distasteful to US but they must be put up with. We must not believe that after electoral machinery formed we will be able to get rid of Diem. We should not look upon Diem as experiment to be got rid of. Even if we chose to, we might not be able to do so. Secretary said if Diem feels we are trying to get rid of him, like all orientals, he will naturally be suspicious and not take our advice and hoped that if we should try to put into effect Faure plan we should do so with knowledge that govt will be anti-West and not fully as efficient as we liked but it may have qualities which would help preserve country from Communism. Secretary observed that he did not know of another oriental govt where Western standards of coalition apply and not run by strong individual. It may be impossible to force coalition upon Diem and force him to take in men who oppose him. Secretary therefore hoped we would try as best we could to strengthen govt's influence. French must not consider that Diem is "in US pocket". If he were he could not be reliably supported in future.

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[4] President of the Republic of Korea.

Secretary continued by turning to question of sects, stating that distinction should be made between Binh Xuyen and others. Binh Xuyen are gangsters like those known in large cities of US who exist on revenues from gambling, prostitution, etc. Control of police by Binh Xuyen is intolerable. Situation must be cleared up. US recognizes that Cao Dai and Hoa Hao are different and ought not be liquidated by force but rather through gradual processes amalgamation by diplomatic and political procedures. This did not mean we admire Hoa Hao. We deplore Ba Cut. Bao Dai if he requires allowances, which Secretary doubts, should obtain them from state rather than from a cut in vice ring. As regards Bao Dai Secretary shared French view that thread of legitimacy should be retained until new format is established but Bao Dai must accept a passive role. US does not wish to bring Bao Dai's reign to end as long as it is compatible with independent regime in Vietnam. Secretary closed by suggesting that conversation should be terminated then to be continued at later date.

Faure expressed complete agreement and stated he would prepare memo May 11 in preparation for next meeting.[5] Memorandum would outline French position. Faure remarked that he agreed that Diem is force and that individual force representing rise in nationalism is to be expected in country such as Vietnam. Agreed on "principle of concentrated power," but did not agree that Diem is man to carry it out. French do not intend to play Bao Dai against Diem. If there were someone else who is really valuable both Diem and Bao Dai could be dispensed with. French understood that after initial period of supporting Diem there would be electoral consultations when it will be decided whether Diem is best solution or not. French trust it will be found that he is. French recognize that US hopes that it will be decided at time of National Assembly that Diem is the man but must state that French believe that he will not be. French are ready to concede that they are wrong if such proves to be case.

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[5] See Document 186.

Secretary observed that US was not at all sure that Diem would succeed. He lacks essential qualities but fact remains that there is no one better to replace him. He will be lost if he is not backed wholeheartedly.

Caccia observed in closing that Secretary had confirmed MacDonald's views.

Faure closed by stating that if US wishes to give Diem full chance French would subscribe entirely to doing so but only if France had guarantees and compensation as outlined.[6]

General discussion ensued regarding next meeting which is now scheduled for 9:30 p.m. May 11.

Dillon

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[6] After this second tripartite meeting on Vietnam, two private conversations of interest took place between French and American officials. The first was between Dulles and Faure and, according to a signed memorandum of conversation by Dulles, May 11, it was as follows:

"Following our talks at the Hotel Matignon last night, as we were leaving, Faure took me apart and said to me privately that as a result of our talks, he had been much shaken ('ebranlé') in his views. He also had been greatly impressed by my statement that in that part of the world, there was no such thing as a 'coalition' government, but one-man governments. However, he did not know how to meet us without having some political concession that he could point to, as he could not face his Cabinet and Parliament on a program of having merely 'sold out' 100 per cent to the Americans." (Eisenhower Library, Dulles Papers, Indochina June 1954–April 1956)

The second was reported in Secto 38, May 11, which reads:

"As we were leaving meeting reported Secto 36, Margerie said privately we should know that in any event strength of FEC would continue to be gradually and unobtrusively reduced. He did not know what rate would be but seemed fully aware of dangers of precipitate or unduly publicized withdrawals."

"He commented that there was vicious circle. 'Too many of wrong kind of French' would stay in Saigon as long as they felt FEC was there to protect their interests and as long as they remained, presence of FEC was needed to protect them and their interests." (Department of State, Central Files, 751G.00/5–1155)

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185. Telegram From the Secretary of State to the Department of State[1]

Paris, May 12, 1955—6 p.m.

Dulte 32. Eyes only Acting Secretary from Secretary for President.

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[1] Source: Department of State, Conference Files: Lot 60 D 627, CF 447. Top Secret; Niact; No Distribution. On a copy of this telegram in the Eisenhower Library, Whitman File, Dulles–Herter Series, there is a marginal notation by Goodpaster indicating that the President saw this cable on May 13.

"Dear Mr. President:

I have not had time to write you since day before yesterday. Tuesday night[2] we had another long session with the French on Indochina and again last night, both sessions lasting until 1 a.m.[3] I am trying to do the hard thing which is actually to persuade them that Diem is the best hope and that that hope is a possibility only if we treat him as the head of an independent government and not as a puppet to whom we can dictate. The French seemed to think that all we need to do is to crack the whip. I keep emphasizing that if that is the case, then the situation would be hopeless because he could never gain the confidence of his own people. I really think I have made progress. Faure professes to have been genuinely converted.

Last night matters came to a head. Faure wanted us to make an agreement with the French as to our future policies including efforts to influence Diem. I said we would not make any agreement because the subject matter did not lend itself to precision and any agreement would almost surely lead to charges and countercharges. I said I would draft our instructions to our Ambassador following the lines of our policy as previously expounded, and that we would show our instructions to the French for their information, and that I hoped the French would send corresponding instructions to Ely which we could see, but that it must be clear that we were following what I hoped would be paralleled courses because this was in the common interest, but that neither of us had any formal engagements to the other. This they accepted, and the work is going forward on this basis.

Macmillan has been sitting in on some of our meetings and the information which he has from Malcolm MacDonald conforms closely to our own thinking so that the British have been helpful.

[Here follows a report on discussions at Paris unrelated to Indochina.]

Faithfully yours, Foster."

Dulles

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[2] May 10.

[3] See Secto 36, *supra,* and Secto 42, *infra.*

186. Telegram From the Secretary of State to the Department of State[1]

Paris, May 12, 1955—8 p.m.

Secto 42. From USDel. Third trilateral meeting on Vietnam took three hours Wednesday[2] evening with the three Ministers making similar general proposals. Some details are still ambiguous.

In late afternoon French delivered to us informal paper summarizing Faure's points of previous meetings. French paper stated French Government can accept Secretary's formula on following conditions: (1) An enlargement of the Diem government and an acceleration of an electoral process. (2) Peaceful solution of the problem of the sects. (3) Cessation of anti-French propaganda. (4) Continuation of the present role of Bao Dai. (5) Reciprocal removal from Vietnam of French and US functionaries who are deemed disturbing to Franco-US harmony. (6) US assurance that French economic, cultural and financial relations in Vietnam will be nurtured.

Secretary opened trilateral with following comments on the French paper: (1) We must recognize revolutionary spirit prevailing in Vietnam. We cannot deal with this if we have a government to which we can dictate. (2) Conditions in French paper are desirable, but US could not guarantee to get them unless Diem were our puppet. But if he were our puppet, the whole enterprise in Vietnam would fail. (3) We have to take gamble we can succeed with Diem who is there as the man who may develop an acceptable moderate government. Alternative may be sheer disaster for everybody. Any government that could give guarantees desired by French would not survive but would be followed by violently extremist revolutionary movement resulting in Communist control. (4) We do not see how we can get rid of Diem and there seems nobody to take his place. There is hope if we can win his trust and confidence. (5) The Secretary strongly urged France not to ask US for guarantees we cannot give without turning Diem into a puppet and total failure. Secretary emphasized Diem is independent force on whom we cannot arbitrarily impose our views. It would be very false to assume we could give dependable assurances on the French conditions. (6) Relationship with Vietnam should not arise out of exacting commitments but through mutual confidence and trust. Secretary strongly hoped US and French could work together on formula he had suggested without specific obligations from the US.

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[1] Source: Department of State, Central Files, 751G.00/5–1255. Secret. Repeated for information to Saigon.

[2] May 11.

Macmillan then stated that UK' interest was matter based on two main considerations: (1) What happened in Vietnam was of vital concern to all of Southeast Asia where UK had interests and (2) UK's particular interest in Geneva Accords in which Prime Minister Eden had taken role in negotiating. UK agreed with us that latter govt could not guarantee what Diem could or could not do for independence of Diem govt was essential point but UK did believe that US could influence what Diem govt did or did not do. US and French appear to be in accord on what should be done but question was how. UK view was that question should be accomplished by establishing principle that US and French must work as team. This would start with Reinhardt and Ely and work down line where cooperation would serve as example to Vietnamese. If this were done common purposes could be carried out. Diem could not be ordered about but he could be influenced by example that it is possible for US and French to work together in friendly cooperation. Future program should not depend on written guarantee but on mutual sense of cooperation. Local representatives of France and US should be given full authority. As far as Vietnam Govt is concerned no one should be ruled out from taking part in it except Communists. Successful program does not depend on signed agreement but rather on good will displayed on both sides in Saigon as well as Paris and Washington. Vietnam Govt must be prepared for forthcoming talks with Vietminh. Vietminh must not be allowed to seize initiative and above all problem must not be thrown back to Geneva Co-Chairmen for solution.

After making several comments on Secretary's outlines, many of which were repetition of what had been said in previous sessions, Faure indicated agreement in principle. He confirmed that French conditions were not meant to entail engagement by US. He said he would like to reach specific agreement. He hoped Diem would prove to be dependable force and not weakness. Bao Dai should be used only to extent needed. Edgar Faure then read following paper which includes French six-point program.

French Govt desiring to approach its point of view to that of US Govt is disposed to accept suggestion made by latter that it give its support to reenforced Vietnamese Govt headed by Diem and that, during period necessary for organization of procedure of consultation out of which might come a new govt including or not including Diem, sets forth practical aspects of this policy as follows:

(1) Support given by two governments to this new formula would be complete, loyal and sincere. In this respect French Govt proposes that two governments should transfer from Saigon those functionaries or agents who on one side or other would appear to be guilty of ill will in pursuance of new common policy. (2) Diem govt would be re-enforced. That is to say that it would be enlarged by

means of operation which would go beyond that effected during these last few days limited to addition of few technicians and intellectuals not representing any political point of view. This enlargement could be studied on the spot by Ambassador Reinhardt and General Ely in collaboration with Mr. MacDonald and should take place during period of from three to four weeks. (3) Procedure of popular consultation should be put into effect under terms of which parties would decide if there is means of establishing new governmental formula and if in this new formula Diem should continue to be present, should take another Cabinet job or should disappear. (4) Given great difficulty of making this procedure acceptable to large sectors of French Parliament and public opinion American Govt should exercise all its influence on Diem to cease violent anti-French activities. (5) Expeditionary Corps would continue to be repatriated at present rate and period of pause foreseen for next summer would not be maintained except after new examination of situation. This operation would not be stopped until Expeditionary Corps was reduced to figure which will be fixed subsequently, and which will take into account views of our local representatives. Part of Expeditionary Corps could be regrouped in Cap Saint-Jacques region. (6) It should finally be agreed that as result of this new plan interested govts have intention of aiding state of South Vietnam to prepare itself under best possible conditions for test of free elections which are placed for 1956. It should not be admitted by them that any complicated actions of Diem should in effect have object of avoiding this test.

Secretary said Faure's suggestion helpful at this stage but repeated his statement that the situation does not lend itself to a contractual arrangement between the two governments. Essentially we are dealing with a third force or forces whom we are not able to control. Therefore in lieu of any contractual agreement the Secretary was prepared to state the general direction of US policy and he hoped the French Government would do the same so that both governments could proceed on the knowledge of what the other intends to do.

1. It is US policy to give Diem government complete and sincere support.

2. US desires Diem government be strengthened but US recognizes limitations on what it can do to bring this about. Perhaps the best way to strengthen Diem government is by including effective technicians rather than by creating a coalition of diverse and mutually conflicting elements.

3. US would be agreeable if the French Government wishes to indicate any of our personnel who have acted improperly or hostilely to French interests. It is the US policy to require US officials loyally to carry out US policies and not engage in activities conflicting with our common objectives.

4. The US believes there should be developed as rapidly as possible procedures for elections to bring about some representative process so that the Vietnamese Government can have a more secure basis and some more dependable method for change.

5. The US would exercise its influence with Diem to restrain anti-French propaganda, as the US has already done. The best way to bring about a cessation of such propaganda is to develop a genuine feeling in the Diem government that France is not trying to overthrow it.

6. The US believes that elections under the Geneva Accords should take place in 1956 if they can be conducted under conditions of freedom.

7. The French policy statement regarding the progressive reduction of FEC is acceptable on the assumption that the withdrawal of the French forces and French instructors would be harmonized with the buildup of the Vietnamese National Army.

Faure stated he was in agreement with these general lines and understood that they did not represent any kind of a control. He felt that there was a basis for agreement between France and the US. Therefore he suggested preparing instructions to our field representatives to ask them to do the best they can along these general lines. Faure said these talks had helped him understand the US viewpoint much better. He now feels the future depends primarily upon the climate of confidence between Americans and French in Vietnam. He stated there could be no doubt whatsoever on French intentions.

Macmillan summarized the common objectives as follows:

(1) The existing government of Ngo Dinh Diem should be fully supported by all parties for the present.

(2) All efforts should be directed towards its reinforcement as soon as possible.

(3) All efforts should be made toward the essential creation of a method of popular consultation prior to the next phase.

(4) All anti-West propaganda should be suppressed.

(5) An agreement should be achieved on a safety limit for the reduction of the Expeditionary Corps.

(6) Vietnam Government should be urged to make preparations for approaching the Viet Minh about the elections after July 29th, 1955.

Pinay suggested experts meet Thursday to draft a short paper on the points of agreement in order that instructions might be in harmony. Faure assured the Secretary that such a paper would not be a commitment or engagement but only a basis for the activities of our representatives. The Secretary said he preferred to have his advisers draft statement of US policy which could be shown to the French for any suggestions that they wished to make in it. They could submit the same to US. It seemed generally understood that experts would meet Thursday.[3]

The French suggested brief generalizing joint communiqué which omitted any mention of Diem. Secretary said absence of his name would create a great mystery, but French would not accept mentioning Diem, so communiqué postponed.

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[3] See Document 189.

Dulles

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187. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Paris, May 12, 1955—1 p.m.

723. From USDel. Saigon personal for Kidder from Secretary. We have now for four days and nights been reviewing the situation with Premier Faure and Ministers Pinay and Laforest and their advisers. We have consistently maintained the position that Diem's government must be supported and that this support must be unconditional, and that while we would naturally offer it any advice or suggestions that would be welcomed, we were not in a position to give any undertakings on behalf of that government.

The French Government have now acquiesced in our point of view, and we expect today to draft broad instructions[2] in this sense which will guide you and the Ambassador when he arrives in your future relations. We shall show this to the French. We hope that the French will also draft instructions which, while not identical, will require their representatives also to support Diem, although for reasons of domestic policy, they may not be able to say so publicly.

The status of Bao Dai has not been discussed except in a very marginal way. We have taken the position that it may be useful to preserve a thread of legitimacy at least pending orderly consideration of this problem by representative Vietnamese processes and assuming that Bao Dai does not in the interval attempt arbitrary interference in governmental processes.

You may informally advise Diem in above sense as a personal message from me.

Dulles

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[1] Source: Department of State, Central Files, 751G.00/5–1255. Secret; Priority; Limit Distribution. The source text is the copy repeated for information to the Department of State.

[2] *Infra.*

188. Telegram From the Secretary of State to the Department of State[1]

Paris, May 13, 1955—1 p.m.

Secto 46. We have had a very thorough exchange of views with President Faure and the interested French Ministers, with the participation of Foreign Secretary Macmillan. As a result there is, we believe, a good understanding on the part of each of the viewpoint of the other and a fresh basis for useful cooperation to save Free Vietnam. As a result of this exchange of views, the US has formulated the following instructions for the guidance of yourself and all other US official elements in Vietnam:

1. You will continue to give complete, loyal and sincere support to the present government of Diem and you should deal with it as the independent and sovereign government which we believe it is and should be.

2. We would like to see that government strengthened. We note that some progress has already been made in that direction. We believe that further strengthening is still possible and desirable. The US has no right and no desire to dictate the composition of the government of an independent and sovereign state. If, however, there is an appropriate occasion, you will inform Premier Diem that the magnitude of the problems confronting the Government of Free Vietnam is such as to call for a government which includes both technical competence and a broad representation. We would not expect the inclusion of those who would not loyally support the government's program. We would greatly hope that a sense of patriotism would make it possible to organize a government of a truly national character.

In developing this question of strengthening the government, you will maintain contact with your French and British colleagues.

3. It is the US view that the lawful government should exercise unquestioned authority not only over the National Army but also over the National Police.

4. The Binh Xuyen should be disbanded, and its dependable elements incorporated into the national life of Vietnam. We believe that there should be a gradual and peaceful amalgamation of sects having a genuine cultural existence into the normal life of Vietnam. You may, as there are appropriate occasions, make known our views in that respect and exert any proper influence in the direction indicated.

5. You should encourage the development of electoral machinery and representative processes such as are suitable to Vietnam in order

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[1] Source: Department of State, Central Files, 751G.00/5–1355. Secret; Limit Distribution. Repeated to Vienna for MacArthur and Robertson and to Saigon for Reinhardt from Dulles. Reinhardt was still in Washington and received the action copy.

to create a stable support for the national government and make possible orderly governmental changes from time to time.

6. We deplore the existence of tension as between the various elements which need to cooperate if Vietnam is to preserve its freedom. Therefore, you will exert yourself to bring about a cessation of anti-French propaganda on the part of the Government of Vietnam. We have been assured by the French Government that its attitude is such that a basis exists for the cessation in Vietnam of propaganda from one side or another which only irritates the relations which need to be cordial.

7. While neither the US nor the Government of Vietnam is a party to the Geneva Armistice Agreement, we believe that both should envisage the holding of free elections in 1956, under genuine conditions of freedom, without intimidation before or reprisals after. Secretary Dulles expressed himself in this sense to Prime Minister Diem when he was in Saigon in March, and this continues to be US policy.

8. For your information, we understand that there will be a progressive reduction of French forces in Vietnam, which, however, we believe will be at a rhythm consistent with the increasing capabilities of the Vietnam National Armed Forces but that the reduction will come to a pause when some minimum level has been reached. We also understand that a part of the French Expeditionary Corps will be regrouped in the region of Cap Saint-Jacques so that it will be less conspicuous than in the populated Saigon area. You will be advised further of this by your French colleague. We trust that the Government of Vietnam will welcome this arrangement and will not disturb it by now demanding any complete removal of French forces, which we believe would be undesirable at the present time.

We also understand that the French will so order their dealings with the Viet Minh in the north as to avoid any appearance of an equivocal posture.

9. In conclusion, we emphasize that we do not believe that freedom can be saved in Vietnam if violent revolutionary forces are brought into play. Almost surely the Viet Minh would end up by capturing control of the revolution because this is a process at which they are past masters. We believe that Diem should now be in a position, with the clear support of the French and the US, to adopt moderate and constructive policies, to delegate responsibility without fear that this will endanger his political life and that there may be carried forward with vigor, competence and broad understanding the agreed program for developing a national government which will have the general support of the freedom-loving people of Vietnam and the confidence of friendly foreign governments.

10. These instructions have been shown to the French and you may show to Ely.[2] British also informed.

Dulles

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[2] This Kidder did, according to telegram 5402 from Saigon, May 21. Kidder found Ely "convinced refusal accept some such political proposition as that advanced by Bao Dai recently marked last opportunity save Vietnam from Communism." Ely believed that the retention of Diem was "a catastrophic decision." He confided to the American Chargé that he had requested termination of his mission. LaForest had asked Ely to reconsider, but had authorized him to return to France if he did not wish to remain in Vietnam. (*Ibid.*, 751G.00/5–2155)

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189. Telegram From the Secretary of State to the Department of State[1]

Paris, May 13, 1955—6 p.m.

Polto 2308. For Acting Secretary and Reinhardt. Tripartite Ministerial Meeting.

1. At conclusion of tripartite ministerial meeting on Indochina May 11 (Secto 42[2]) I said that in my judgment, best manner to proceed would be for us to draft instructions[3] to Ambassador Reinhardt which we would be glad to show to French and British before putting them in final form. French could at same time draft instructions to Ely. Pursuant to this understanding US and French advisers met afternoon May 12 with UK also represented. We presented our draft for their comments and French presented their draft instructions for ours. French instructions were in two parts: first consisted of résumé of tripartite discussions which did not correctly portray our position. Second consisted of their instructions to Ely. French sought our approval to their instructions indicating willingness discuss modification their language in effort obtain concurrence their instructions. US advisers refused to do this. I had pointed out to French my opinion that complicated nature Vietnamese problem did not lend itself to making firm and detailed agreements between us and any attempt to do so might well pave way for mutual recriminations later. Therefore, I have suggested and insisted upon this scheme of parallel but unagreed instructions as a substitute procedure.

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[1] Source: Department of State, Central Files, 396.1/5–1355. Secret. Repeated for information to Vienna for MacArthur and Robertson.

[2] Document 186.

[3] The text of those instructions is in Secto 46, *supra*.

2. Following yesterday's meeting with French, I went over French suggestions on our draft instructions and put them in final form (see immediately preceding telegram[4]). Ambassador Dillon will show these final instructions May 13 to French informing them we have given full consideration to their suggestions and have taken them into account in preparing our final draft. In conveying substance our instructions to French, Ambassador Dillon will make clear that: (a) these are views of US Government taking into account French comments; (b) it is our earnest hope that French instructions to Ely will be along same lines; (c) in accordance with views I expressed to Faure, we feel French instructions should not include any reference to points made by either side at talks and should not purport to indicate any bipartite or tripartite "agreement". They should merely be unilateral French instructions finalized after receiving US comments on their first draft.

3. After some discussion it was agreed that no communiqué on Vietnam would be issued at termination of tripartite meetings. However, each side has individually told the press that we have reached a common judgement as to correct approach to problem.

[Dulles]

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[4] According to Polto 2315, May 14, this telegram was drafted and approved by Dulles and should have been sent in the Secto series. (Department of State, Central Files, 396.1/5–1455) Therefore, the immediately preceding telegram was Secto 46, *supra.*

II. THE QUESTION OF ELECTIONS IN VIETNAM, MAY–NOVEMBER 1955: CONSIDERATION OF U.S. POLICY ON ALL-VIETNAM ELECTIONS; ATTEMPTS TO PROMOTE ELECTORAL CONSULTATIONS BETWEEN NORTH AND SOUTH VIETNAM; U.S. POLICY IN THE EVENT OF A RENEWAL OF HOSTILITIES IN VIETNAM; THE BAO DAI–DIEM REFERENDUM

190. National Security Council Report[1]

NSC 5519 *Washington, May 17, 1955.*

U.S. POLICY ON ALL-VIETNAM ELECTIONS

Note by the Executive Secretary to the National Security Council

REFERENCES

A. NSC 5405[2]
B. NSC 5429/5[3]
C. NSC Action No. 1316–d[4]

The enclosed draft statement of policy on the subject, prepared by the NSC Planning Board, is transmitted herewith for consideration by the National Security Council at its meeting on Thursday, June 2, 1955.[5]

A Staff Study on the subject[6] is also enclosed for the information of the Council.

It is recommended that, if the Council adopts the enclosed statement of policy, it be submitted to the President with the recommendation that he approve it, direct its implementation by all appropriate executive departments and agencies of the U.S. Government, and designate the Operations Coordinating Board as the coordinating agency.

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[1] Source: Department of State, S/S–NSC Files: Lot 63 D 351, NSC 5519 Series. Top Secret. The attached draft statement and staff study were initially prepared by officers in the Department of State and submitted to the NSC Planning Board, where they were discussed and revised. For texts of those drafts considered by the Planning Board, see *ibid.*: Lot 62 D 1, NSC 5519.

[2] For the text of NSC 5405, "United States Objectives and Courses of Action With Respect to Southeast Asia", January 16, 1954, which deals in part with Vietnam, see *Foreign Relations*, 1952–1954, vol. XII, Part 1, p. 366.

[3] For the text of NSC 5429/5, "Current U.S. Policy in the Far East", December 22, 1954, which deals in part with Vietnam, see *ibid.*, p. 1062. Annex A to NSC 5429/5 contains a list of objectives for U.S. policy in Indochina; for text, see the editorial note, *ibid.*, vol. XIII, Part 2, p. 2412.

[4] See footnote 11, Document 28.

[5] NSC consideration of this paper was postponed for reasons outlined in Document 205.

[6] Not printed.

It is requested that special security precautions be observed in the handling of the enclosure, which is being given a limited distribution.

James S. Lay, Jr.

[Here follows a table of contents.]

[Enclosure]

DRAFT STATEMENT OF U.S. POLICY ON ALL-VIETNAM ELECTIONS

General Considerations

1. It is U.S. policy to maintain a friendly non-Communist Free Vietnam; to assist Free Vietnam to maintain (a) military forces necessary for internal security, and (b) economic conditions conducive to the maintenance of the strength of the non-Communist regime; and to prevent a Communist victory through all-Vietnam elections.

2. Free Vietnamese strength is essential to any effective approach to the election problem. If Free Vietnam is to cope adequately with national elections it will have to be strong enough to deter or defeat Vietminh insurrections in its territory, to impose and sustain order in its territory, and to win a free election limited to its own zone and held under its own auspices and control. Otherwise, the Vietminh can take over through internal insurrections or the Government of Free Vietnam will be so weak that it will find it difficult even to give lip service to the idea of national unification through elections, or to insist on adequate conditions for free elections.

3. U.S. policy toward all-Vietnam elections should be predicated on the assumption that there is a possibility of assisting Free Vietnam to achieve the degree of strength described above. If it becomes clear that Free Vietnam cannot achieve such strength, U.S. policy toward Free Vietnam, should be reviewed.

4. U.S. policy must also protect against a Communist take-over of Free Vietnam, even if the Communists were able to win elections under safeguards in North Vietnam. On the other hand, U.S. policy should be prepared to take advantage of the unlikely possibility that North Vietnam might be freed through elections.

Courses of Action

5. Continue to encourage the Government of Free Vietnam to proceed with the consultations about elections called for in July 1955 by the Geneva Agreements.

6. Provide the Government of Free Vietnam with information and advice about Communist positions and tactics with regard to elections elsewhere, e.g., Greece, Germany, Austria and Korea.

7. Assist the Government of Free Vietnam to make it clear that any failure to secure free elections is the fault of the Communists.

8. Encourage the Government of Free Vietnam:

a. To lay stress on the necessity of compliance with the stipulation of the Geneva Agreements that "all the necessary conditions obtain for free expression of the national will" before all-Vietnam elections can take place. For this purpose the Government of Free Vietnam should insist in the first instance on adequate guarantees of freedom of elections[7] and adequate supervisory powers in a Supervisory Commission.

b. To adopt positions with respect to the objectives and details of elections which: (1) will avoid terms which would be likely to result in a Communist take-over of Free Vietnam; and (2) to the degree feasible, will maintain a position generally consistent with that adopted by the Free World in other areas such as Korea and Germany.

9. Seek British and French support for the foregoing courses of action.

10. If pursuit of the above policy should result in a renewal of hostilities by the Communists, the U.S., in the light of the general circumstances then prevailing, should be prepared to oppose any Communist attack with U.S. armed forces, if necessary and feasible—consulting the Congress in advance if the emergency permits—preferably in concert with the Manila Pact allies of the U.S., but if necessary alone.

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[7] For examples of such guarantees, see para. 8 of the attached Staff Study. [Footnote in the source text. Paragraph 8 reads as follows.

["8. In negotiating for conditions of genuine freedom for the holding of elections, Free Vietnam can serve both these objectives by insisting on provisions such as those already supported by the Western Powers at Berlin: Agreement on safeguards to assure conditions of genuine freedom before, after, and during elections; full powers for any Supervisory Commission to act to ensure free elections and to guarantee against prior coercion or subsequent reprisal; adequate guarantees for, among other things, freedom of movement, freedom of presentation of candidates, immunity of candidates, freedom from arbitrary arrest or victimization, freedom of association and political meetings, freedom of expression for all, freedom of press, radio, and free circulation of newspapers, secrecy of vote, security of polling stations and ballot boxes. The Communists would find it most difficult to accept such conditions or to allow their implementation if accepted. Accordingly, it would be useful for the Free Vietnamese to center their position on securing agreement to conditions for free elections prior to discussion of the forms and objectives of the elections."]

191. Telegram From the Consul at Hanoi (Corcoran) to the Department of State[1]

Hanoi, May 17, 1955—5 p.m.

1312. 1. Sainteny returned Hanoi May 12 and I made courtesy call this morning during which we had one hour general conversation.

2. He was very pessimistic about situation in South Vietnam, expressing opinion that continued support of Diem amounted to "opening door to Communism in south". Said that intensely nationalistic Phan Ke Toai had been the "Diem" of earlier period and had paved way for Communist victory. Saw great present danger as not that Viet Minh would win eventual elections, but that population of south, contrasting insecurity in that area with tranquillity reigning in north would disregard Communist nature of Viet Minh and welcome them to restore peace and order even at price of Communist oppression.

3. He was not optimistic about situation in north which he said was getting no better (from Western point of view). Remarked "It is Chinese who will replace us here". I took occasion to say that Chinese Communist penetration seemed so far advanced already, citing particularly railroad construction and airport control, that I was not at all sure Viet Minh had any freedom of choice in formulating policy. Sainteny said he was not sure either, but he felt that Viet Minh were not yet completely under Chinese Communist domination, that they did not want it and that they instinctively resisted it. Partition of Vietnam at 17th parallel would merely encourage Chinese to annex North Vietnam, an ambition they have never abandoned. (As I arrived at Maison de France an automobile flying Chinese Communist flag dropped three Chinese in civilian uniform who disappeared into building presumably to see Billecocq or Arnod.)

4. Sainteny said he had left Paris before conclusion conversations on IC, but understood that French position now called for going ahead with elections under Geneva agreement while giving Diem as much support as possible so that he might make strongest possible showing in election.

5. French interests in North Vietnam just about liquidated except for Hanoi tramway and few buildings. Member of Messageries Maritimes still at Thai Phong for time being. (Sainteny had told British Consul General last week that there was possibility negotiating some sort of Franco-Viet Minh commercial agreement.)

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[1] Source: Department of State, Central Files, 651.51G/5–1755. Secret. Also sent to Saigon and Paris.

6. He had recently seen Pham Van Dong who appeared ill and very tired.

7. I said I thought Viet Minh now that they were well installed were showing stern attitude in application Communist doctrine and cited Peoples Court trials, including recent one Hanoi. Sainteny replied that "well installed" was too strong a term and that Viet Minh were still having trouble getting installed. He added, however, that once in possession of Haiphong and the coast, they would feel more secure and would supply more pressure in communization.

8. He believed that not only would fifth month rice harvest be bad because of insufficient rain during growing season, but that results secondary cultivation, despite good sweet potato and maize crops, would not suffice make up shortage.

9. When Sainteny mentioned Ho Chi Minh provisional government of 1945, I took occasion say I had heard rumor (Contel 1303 sent Department May 16, repeated Saigon 1451, Paris 435[2]) that Catholic member that government had recently visited Hanoi. Sainteny recalled that he had heard some such visit had taken place prior his return, but declined to be drawn out this subject.

10. Said he would return to France for consultation during first ten days June. Remarked that he was surprised US had not closed Consulate here. Predicted that operating conditions would become worse after ICC transfer to Saigon and jokingly remarked that Sainteny mission might leave before Consulate. In discussing various itineraries Hanoi–Paris, he half-jokingly remarked that he could not go via Honolulu and US because "your government would not give me visa". I replied that I did not think he would have any trouble getting transit visa. Still semi-humorously, he offered to bet me that he would have trouble.

Corcoran

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[2] In this telegram dated May 15, the Consulate reported learning from a "Catholic source" that Nguyen Manh Ha, a Catholic layman and Minister of Economy in the Provisional Government of 1945, had visited Hanoi from Paris at the apparent request of Pham Van Dong to consult on what the DRV regarded as the "Catholic problem." The source believed Ha to be at best a "meddler" and at worst a "peddler" of coexistence, and believed also that the Sainteny Mission was involved in the arrangement of the visit. (*Ibid.*, 751G.00/5–1555)

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192. Editorial Note

At the 249th meeting of the National Security Council on May 19, according to the memorandum of discussion by Gleason, May 20, Dulles briefed the Council on his recent trip to Paris and Vienna. The following excerpt is that portion of the report which deals with Vietnam:

"Secretary Dulles' second subject was his talks on Vietnam. These had been conducted directly with the French Premier, Faure, and had been of very great significance. Faure had started out with a statement that the French did not desire to become involved with serious differences with the United States on the issue of policy in South Vietnam, and accordingly, it was perhaps best for the French to withdraw entirely from this area, surrendering all their responsibilities to the United States. Secretary Dulles countered promptly by suggesting that the U.S. likewise did not want a falling-out with France on this issue, and accordingly, perhaps it would be best if the U.S. itself pulled out of Vietnam. This exchange, said Secretary Dulles, put an end once and for all to any more such dramatic gestures.

"Secretary Dulles expressed the view that the French were likely to continue to phase out their expeditionary forces from Vietnam. They would not pause when they reached the level of 75,000 men, as originally planned, but would continue to evacuate their forces until they reached perhaps the level of 50,000. At this point they would stabilize. The French were also planning to move most of their troops from the Saigon area to Cap Saint Jacques, though Secretary Dulles personally believed that it would be better if the troops from Saigon were sent to guard duty along the 17th parallel. Such a move, however, he thought unlikely.

"Secretary Humphrey inquired of Secretary Dulles whether the latter thought that Diem would prove strong enough to maintain control of the situation in South Vietnam. Secretary Dulles said that it seemed likely at the present time. Diem had just survived a very great crisis. He had demonstrated a local strength in Vietnam that many people had hitherto doubted he possessed. In the recent fighting both of the religious sects, the Cao Dai and the Hoa Hao, had remained neutral, and Bao Dai's effort to remove control of the army from Diem had utterly failed. On the other hand, Diem had not yet proved able or willing to form a coalition government. Secretary Dulles said that he had had quite a battle with the French on this issue, because they were so keen for such a coalition. He had argued with them that a coalition government as understood in the West was virtually impossible in this part of the world. In the Orient it was necessary to work through a single head of government rather than through a coalition in which various personal interests had to be submerged in a common loyalty. In illustration of this point, Secretary Dulles had cited Singhman [*Syngman*] Rhee in Korea and Ho Chi Minh in Indochina itself. Accordingly, Secretary Dulles had argued with the French against any effort to force these theories of a coalition on an unwilling Diem. To make matters worse, Secretary Dulles believed that one of the chief reasons for the French desire to establish a coalition government was the possibility that this would afford them the opportunity to bring into such a government some of their own stooges. At any rate, Secretary Dulles said, the French Government leaders in Paris seem willing at long last to get aboard the Diem bandwagon.

"While there was still much bitterness in Saigon against the United States, the prospects for Diem were definitely better, and the high-level Frenchmen were now more disposed to back him. In conclusion on this point, Secretary Dulles indicated that the French had kept urging us to take steps to make Diem do what we felt was necessary and desirable. Secretary Dulles had replied that such a course was impossible for us, and that if Diem were the kind of man who would do our bidding in this way, he would not be the kind of man who could do what was required to save the situation in Vietnam." (Eisenhower Library, Whitman File, NSC Records)

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193. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, May 19, 1955—8:12 p.m.

5140. 1. Re Saigon's 5325 repeated Paris 1370[2] and Deptel 5107 to Saigon repeated Paris 4104.[3]

You may inform Diem US position during Paris talks along following lines, in addition to reaffirming points you have already made: there must be full recognition nationalist spirit aroused in Vietnam and Vietnamese Government is now an independent force. Support for that force provides best available hope of a moderate constructive anti-Communist evolution. Future of Vietnam depends on having a nationalist government which is not subservient to foreign demands but which will be receptive to proper suggestions and assistance from those it believes are really interested in its survival and progress. The relationship with Vietnam can be built only on a spirit of mutual trust and confidence. In this context of Secretary's presentation, principal issue in Paris was complete and sincere support for Diem government. Throughout all meetings with French officials in Paris US expressed firm policy continued sincere support for legal government under Diem. French authorities came around to similar policy in private talks as well as public statements. As to other aspects of talks, you may give Diem the following account with explanation that Ambassador Reinhardt will discuss the talks with him in detail in light of his conversation with Secretary Tuesday May 17[4] before departure for Saigon:

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[1] Source: Department of State, Central Files, 751G.00/5–1755. Secret; Niact. Drafted by Young, cleared with MacArthur and Elbrick, and signed by Dulles. Repeated for information priority to Paris.

[2] In this telegram, May 17, Kidder relayed Diem's bitter complaints that he was being left in the dark as to what had transpired during the Paris tripartite talks, particularly concerning the U.S. position on Bao Dai. (*Ibid.*)

[3] In this telegram, May 17, the Department informed the Embassy in Saigon that U.S. officials in Paris had briefed the Vietnamese High Commissioner and Ngo Dinh Luyen and that Department officials in Washington had given the Vietnamese Ambassador an account of the Paris talks. The information, however, was mostly a summary of what had already been reported in Paris newspapers. (*Ibid.*)

a) A better understanding has been reached between the French and the US re the differences between our respective viewpoints. A sounder possibility has been opened up for useful unilateral action by each government in their efforts to help the Vietnamese Government and people maintain their independence.

b) In public and private statements French authorities renewed their intention to support Diem and his government. If fully carried out, this could be of great importance.

c) It should be made clear to Diem there is no formal agreement or accord between France and US calling for joint US-French action of any kind. Instead it is understood between us that we each will instruct our respective representatives in our own words within the general understanding of support for the Diem government. We do not believe such accords are proper when a sovereign third party is involved, or which might limit US freedom of action.

d) Re Bao Dai, our position is that, pending an expression of the will of the Vietnamese, the thread of legitimacy provided by a Chief of State should be retained to help guard against possible arbitrary and lawless seizure of power by extremist elements including Communists. In any event it is not for the US by its words or actions to appear to suggest a juridical change regarding Vietnam's constitutional structure, since that is a matter for the Vietnamese alone. Vietnamese officials presumably have reported to Diem that no member of the US Delegation in Paris made any contact with Bao Dai or any member of his entourage.

e) We had an exchange of views with the French re our respective attitudes towards desirability of strengthening the Vietnamese Government, the amalgamation of the sects into normal life of Vietnam, the disposition of the FEC, question of elections both in Free Vietnam and under Geneva Accord, and "propaganda" concerning the French. Ambassador Reinhardt can take these up in more detail with Diem in accordance with instructions. In any event you may reassure Diem that, in all these matters, no decisions were made inasmuch as the US emphasized the sovereign nature of the Vietnamese Government and the impropriety of the US or France doing more than making suggestions and offering advice.

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[4] No report on this discussion has been found, although, according to telegram 5053 to Saigon, May 13, Reinhardt was to meet Dulles on May 17 to receive a personal account of the Paris tripartite talks on Vietnam and to benefit from the Secretary's last-minute view of the situation there. (*Ibid.*, 120.1551G/5–1355)

2. Re Saigon's 5249 repeated Paris 1345:[5] While we appreciate the reasons for making this proposal, we wish to have the matter fully explored before determining whether or not it would be advisable or helpful for the US to participate on a four-power basis in discussions on Vietnamese questions at this time. In the light of the general understanding of support for Diem worked out in Paris, we wonder whether or not a four-power conference would still be a good idea. Therefore we wish you would speak to Diem along the following lines:

a) In view of the reaffirmed French declaration of support for Diem's government, does he still wish to proceed with his invitation for a four-power conference in Saigon? What subjects would be discussed? When would the conference take place? What does he expect such a conference to lead to? What result does he want out of it? What might be its actual consequences?

b) There is an important question of whether or not such a conference coming at this time would have a limiting effect on the freedom of action of both Vietnam and the US. The US, having established the principle of our flexibility and freedom of action during the recent talks, would be disinclined to engage in a conference in Saigon which might restrict our independent action by reason of multilateral understandings.

c) If there are particular subjects of major importance which Vietnam wishes to take up with the French or the US, perhaps it would be better to do so on a bilateral rather than multilateral basis.

d) There is also the question of the level of such a conference. The Secretary's schedule in the immediate weeks would not permit him to attend. Therefore a representative from US at ministerial level might be difficult to arrange. Exactly what level does Diem have in mind?

Dulles

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[5] In this telegram, May 13, Kidder reported that Diem proposed discussions in Saigon among French, American, and British chiefs of mission and representatives of his government on Vietnamese questions. (*Ibid.*, 751G.00/5–1355)

194. Telegram From the Ambassador in France (Dillon) to the Department of State[1]

Paris, May 20, 1955—7 p.m.

5080. Foreign Office (Roux) called meeting United States–United Kingdom Embassy representatives this morning (Minister Associated States representative present) to initiate discussion question all-Vietnamese elections. Roux began by saying that he thought on basis views already expressed by United States (he referred to paper left by Young[2]) and United Kingdom, all three countries were fully in agreement that pre-electoral consultations between South Vietnamese Government and Vietminh should take place as envisaged by Geneva Accords beginning July 20. He said question to be resolved now, however, was how bring two parties together.

Roux expressed thought that views United States–United Kingdom–France on this score could perhaps be presented Vietnamese Government most effectively within framework proposed four-power conference Saigon if held in time. We added that we had gotten impression from Vietnamese official sources Paris that this was sort of question Vietnamese Government would like raise with three powers in course Saigon conference (Embtel 4979[3]). Roux noted, however, that it important that tripartite views on how initiate pre-electoral consultations be presented Vietnamese Government within next 30 days whether four-power conference held within that time or not. Roux added that if conference Saigon at level permanent representatives then it could very likely be held between now and June 15.

As regards level representation proposed Saigon conference, we said we had gotten impression from Vietnamese official sources Paris that Vietnamese Government thinking in terms level above that of permanent representatives Saigon and preferably at or near Foreign Minister level (Embtel 5035[4]). Roux indicated tentative French thinking as favoring permanent representative level although he made clear this not final. Roux cautioned, however, that if conference at Foreign Minister level and held so close date consultations scheduled to begin, there might be tendency on part certain countries to interpret conference as designed to concert allied views toward a modification of Geneva Accords. Secondly since San Francisco conference[5] would make it impossible for Foreign Ministers to meet Saigon before end June, if by then, conference at level permanent representatives Saigon would appear offer best possibility for holding of conference by early June. We stated Department considering question level representatives. British expressed no firm views this score.

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[1] Source: Department of State, Central Files, 751G.00/5–2055. Secret. Repeated for information to Saigon.

[2] The text of the U.S. position paper, May 5, was attached to a memorandum of conversation by Young, May 13. (*Ibid.*, 751G.00/5–1355)

[3] Dated May 16, not printed. (*Ibid.*, 751G.00/5–1655)

[4] Dated May 18, not printed. (*Ibid.*, 751G.00/5–1855)

[5] The reference is to the ceremonies planned for June 23–27, marking the tenth anniversary of the founding of the United Nations.

Roux stated that immediate and most pressing question was who should take initiative to bring South Vietnamese Government and Viet Minh together by July 20 to begin pre-electoral consultations, noting the importance of not delaying and giving Viet Minh opportunity seize initiative, or arriving at July 20 with question still undecided. Roux said French considered there two possibilities: Call on two presidents Geneva Conference or on ICC to make approach to two parties. He indicated French thought former course preferable and most logical. United Kingdom representative concurred subject approval London. Roux continued saying that if four-power conference Saigon held in time, United Kingdom, for example, might propose that conference call on two presidents Geneva Conference take initiative to approach two parties. In approaching two parties with view bringing them together, Roux said Geneva Conference presidents should perhaps suggest a possible site for talks as well as pose question as to level representation two parties desired have participate talks. Regarding possible site, the thought was generally expressed that a location in demilitarized zone would perhaps have best chance acceptance by two sides. Roux concluded saying that Geneva Conference presidents would solely endeavor bring two parties together leaving to latter discussion fundamental aspects problem of elections.

Roux suggested finally that United States and United Kingdom Embassy representatives continue to meet with French to concert views on objectives and modalities all-Vietnamese elections which could then be presented to Vietnamese Government for its consideration in course four-power conference. It was generally agreed that in any event Vietnamese Government would be kept informed developments tripartite thinking on all-Vietnamese elections regardless four-power conference timetable. This connection, Roux stated that French views on fundamental aspects all-Vietnamese elections appeared to parallel substantially views expressed in paper this subject handed him by Young. We presume Department has no objection our giving copy latter paper to United Kingdom Embassy.

Question possible Australian request for participation in four-power conference Saigon raised, but Roux pointed out that this fundamentally question for Vietnamese Government since it inviting power and, in any event, it should not be difficult to agree on formula to keep Australian representative Saigon fully informed. It was generally agreed that inclusion Australia would perhaps open door additional demands for participation.

We said we would convey general lines French thinking this score to Department. Roux said he would send to United States and United Kingdom Embassies written outline points raised in course meeting to facilitate consideration by United States and United Kingdom Governments with view to development common position. Will forward when received.

Dillon

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195. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, May 27, 1955—6 p.m.

5266. Deptel 4361 to Saigon repeated Paris 3546;[2] Saigon's 5462, 5453, 5428 repeated Paris 1399, 1398, 1392.[3]

1. Reftels indicate Diem has at least tentatively adopted position Free Vietnam may refuse consult Viet Minh during July 1955 as called for Geneva Accord but may intend delay such consultation until formation national assembly sometime after August 1955. Thus, difficulty may arise in our giving our views along lines of Vietnamese participating pre-election conversation if such advice would either have no effect or would cause Diem believe US joining in a ganging up operation against him with France and UK.

2. Nevertheless you should talk to Diem in general terms about matter of Geneva elections soonest. Regarding actual course of action to be followed during consultations, assuming they are held, we will be glad give Diem our views. (These are contained in next following telegram.[4]) He should understand these are simply US views based upon our experience with election problems involving the Communists in Korea and Germany. Basically we believe that in order to put Free Vietnam in strongest position it should take initiative on free elections and insist on rigid guarantees by Communists for genuinely free elections. Our experience in Germany and Korea has been that such guarantees are unacceptable to the Communists and that as a

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[1] Source: Department of State, Central Files, 751G.00/5–2555. Secret. Drafted by Hoey and cleared by Young, Stelle, and Tyler. Repeated for information to Paris and London.

[2] Document 101.

[3] Dated May 25, 24, and 23 respectively, none printed. (Department of State, Central Files, 751G.00/5–2355 to 751G.00/5–2555)

[4] Telegram 5267, *infra*.

result negotiations have either broken down or been extended, in the case of Germany over ten years. Remind Diem of Secretary's conversations in March on this subject when Secretary stated freedom elections cannot be assured unless there adequate official supervision, freedom from threats before during elections and assurances against reprisals afterward.

3. Indicate while he may believe correct refer question to national assembly we concerned about reaction various powers this delay. Wonder if he has fully considered seriously complicating disadvantages of what amounts to flat rejection of Geneva agreement provisions. We do not wish become involved in offering direct recommendations regarding ways and means of the two sides meeting for pre-election consultation until we know more about Diem's thinking. However mention that in any projected delay or rejection of pre-election consultation Free Vietnam will almost inevitably expose itself to intervention by the ICC and possible action by the two co-chairmen of the Geneva Powers or a reconvocation of the Geneva Powers. Even if Diem's reported intention to refer decision to assembly is a politically valid one, we feel delay may nevertheless bring about above intervention. Also rejection will leave initiative elections with Viet Minh.

4. FYI Department is ordering Kattenburg to Saigon for approximately sixty days temporary duty to assist Embassy specifically in election matters and to be of general assistance to the Political Section. ETA approximately June 27.

Dulles

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196. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, May 27, 1955—6:07 p.m.

5267. Follows text of U.S. position paper on elections which given French, British. You should outline orally Diem.

Use text of Department telegram 4362[2] to Saigon with following changes:

New paragraph one: Same text as paragraph one Department telegram except delete last sentence. Paragraph two: Insert following as new paragraph two: "The United States believes that Free Vietnam and the Viet Minh should be the only principal parties in the negotiations. The United States believes that the International Supervisory Commission should not play a prominent role in the electoral discussions. It is important that the Free Vietnamese Government be in a position to make political capital from strong advocacy of unification through genuinely free elections. It is also important that the Communists clearly bear the onus for any refusal to agree to conditions which would guarantee genuinely free elections or for any obstruction of the preliminary talks. If the International Supervisory Commission is active in the discussions its activity might tend to diffuse the political advantages which Free Vietnam might otherwise gain from the negotiations and at the same time provide the Communists with the means for avoiding full responsibility for any negative attitudes which they may adopt. The United States believes that it would be unwise to entrust any important part of the task of devising the conditions or objectives of elections in Vietnam to a commission composed of members having such conflicting views. The United States would not expect Free Vietnam to be willing to delegate such authority to such a commission."

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[1] Source: Department of State, Central Files, 751G.00/4–655. Secret. Drafted by Hoey on May 18, cleared by Robertson, and approved by Young.

[2] Document 102.

New paragraph three same as old paragraph two. New paragraph four same as old paragraph three. New paragraph five insert the following: "If the negotiations proceed past the point of discussion of conditions for free elections to the questions of the mechanics and objectives of an election, the United States believes that Free Vietnam should negotiate for principles which would protect it from fraudulent Communist takeover. The United States believes that these principles should be generally consistent with the principles which the Western Powers are advocating with respect to Germany and Korea. The United States also believes that the Free Vietnamese should take the position that elections should aim at setting up a joint constituent assembly whose sole task would be to draft a constitution for the whole country. The United States believes that pending adoption of the constitution such an assembly should have no governmental powers and that both Communist and Free Vietnam should remain under the administration of the existing governments in each zone."

Dulles

197. Letter From the Counselor of the Embassy in Vietnam (Kidder) to the Director of the Office of Philippine and Southeast Asian Affairs (Young)[1]

Saigon, May 31, 1955.

DEAR KEN: I refer to Dept Circular Telegram 653 of May 10,[2] a joint State–FOA message, requesting that Embassy and USOM participate in the preparation of the MCA [*MDA*?] Program for FY 1957.

The base paper[3] was prepared by MAAG in compliance with its instructions and USOM and ourselves made the requested contribution which is included as Appendix IX of the document. The complete submission went to CINCPAC in four copies.

I believe no useful purpose would be served by our having the very lengthy document recopied and sent to the Department as it is primarily a CINCPAC matter and CINCPAC would want to add its comments for any submission to Washington. I should like however to point out that Embassy and USOM were obliged to dissent from Iron Mike's point of view.[4] He has projected for CY 55 and 56 a total of 150,000 men divided into four field divisions and six light divisions. For CY 57 and for FY 58 and 59 he has estimated that a troop basis for Vietnam of 125,000 will be required.

Mike bases his position on a number of factors, all except one of which were recognized and taken into consideration when the original Collins estimate of 100,000 was accepted. The one new factor, and from a realistic point of view an extremely important one, is the continuing state of insecurity in the country which has made it necessary to either stop or slow down the rate of demobilization. No propaganda background for the demobilization program has been laid and the program is way behind schedule. That, as well as the problem of added integrees from the sects, was recognized when Ambassador Collins requested an additional forty million dollars. We are up against a major problem in pushing demobilization, but I do not believe we have any alternative other than to stretch out the demobilization period and perhaps put off the program for conscription for perhaps a year. The latter program will be most difficult to organize until the census about to be commenced in connection with elections has been completed. MAAG does not envisage this conscription program being implemented up to the 30,000 figure until the close of the calendar year 1958—the added cost involved in this slowdown would be substantial.

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[1] Source: Department of State, Saigon Embassy Files: Lot 61 F 22, C 2857. Top Secret; Official–Informal.

[2] Not printed. (*Ibid.*)

[3] Titled "Development of a Force Basis for a Timed-Phased FY 57 Mutual Defense Assistance Program for Indochina," dated May 23, not printed. (*Ibid.*, C 2854)

[4] In Appendix IX to the document cited in footnote 3 above, the Embassy and USOM recommended adhering to the ultimate goal of a Vietnam armed force of 100,000 as had been advocated by Collins. The phased reduction to this goal was to be achieved by early 1956.

"Iron Mike" was the nickname of Lieutenant General John W. O'Daniel.

A major factor which I do not believe MAAG fully appreciates which mitigates against their estimated requirements is the economic one. This is the subject of the following paragraph taken from the Embassy–USOM comments, Paragraph d:

"d. Wholly apart from the question of Vietnam's ability to finance its armed forces, considerable difficulty has been experienced in such financing through U.S. aid. This aid is granted in dollars but is used principally to finance piaster expenditures within Vietnam. This means that unless goods are imported equivalent to the dollar aid, its conversion into piasters is perforce inflationary, irrespective of the mechanics used. For a variety of reasons, some political, some institutional, there seems to be serious doubt that imports can be maintained at a level comparable to aid requirements already posited for the military. Already there has been built up potential inflation by the creation of piasters for military expenditures. USOM and the Embassy believe that any material increase of this potential inflation would create a dangerous situation which could vitiate all of our programs in Vietnam if it became rampant. It is of the utmost importance, therefore, that everything be done to avoid increasing the amount of dollar aid over and above the amounts required to maintain the armed forces at the 100,000 man level originally planned."

I believe Mike's basic feeling on the subject of force levels is well expressed in the comment which he added at the end of the Embassy–USOM position paper: "I feel that primary emphasis now should be placed on the number of troops that are needed to do the job, keeping in mind the basic plan for long term reduction gaged upon national progress." Personally I just do not see where the money is going to come from to support his force level, nor do I see how we would be able to pump it into Vietnam, if it were available, without the attendant danger of severe inflation.

Fred Reinhardt arrived a few days ago and is already deep in background papers and in getting his feet on the ground. We pushed his schedule for presentation of credentials in order that he might be able to attend the various functions being given in honor of General Ely previous to his departure. Those dinners and receptions gave him an excellent opportunity to meet most of the leading characters on the present scene without delay. We are all delighted to have him here and hope that we will be able to back stop him properly.

With all best wishes.

Sincerely yours,

Randolph A. Kidder[5]

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[5] Printed from a copy which bears this typed signature.

p.s. Ambassador Collins' views on the subject of forces basis was set out in Top Secret Despatch 393 of May 11 on "Problem of Combatting Communist Subversion in South Vietnam."[6]

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[6] In this despatch, signed by Kidder as Chargé, the Embassy stated in part: "Ambassador Collins' views remain those he expressed while in Washington 22–28 April, i.e. a reduction in the strength of the Vietnamese Armed Forces as early as practicable is desirable. The force structure as originally planned, when properly trained and led, would be adequate for performing the missions of maintaining internal security and providing a blocking force in event of external aggression while awaiting action by the Manila Pact Powers. However, the crisis created by the sects has required the suspension of planned force reduction. In addition, the Government has integrated into the Army certain sect units for political reasons. These developments have increased rather than reduced the size and costs of the armed forces this calendar year. Nevertheless, when and if the sect crisis is resolved, whether by forceful or political measures, forces above 100,000 would not be required. Implementation of the planned force reductions should resume promptly so as to minimize the costs borne by the US, and to hold within bounds the magnitude of US dollar funds injected into Vietnam which, under present programs, approach the upper limit that can be absorbed without adverse inflationary consequences." (Department of State, Central Files, 751G.5/5–1155)

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198. Memorandum From the Director of the Office of Philippine and Southeast Asian Affairs (Young) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)[1]

Washington, June 1, 1955.

SUBJECT

. . . Message to Saigon on Diem's Policies

I checked this morning again . . . on whether a reply had yet come in to our message of Friday[2] pursuant to a request made by the Secretary and by you. . . . told me that he had checked this morning and (a) to the best of his knowledge no reply has yet come in; (b) he asked his people to send out a needler to get a reply back in a hurry; and (c) he suggested that I send up to you . . . from Saigon which is attached.[3]

This . . . has a source comment which is optimistic. Of course this is not a fully evaluated report and represents only Lansdale's opinion. However, we have received nothing from the Embassy during the past two weeks to indicate the Embassy is particularly disturbed or anxious over developments. Last week we asked the Embassy to prepare a situation report for Reinhardt and the Department. The Embassy replied that it had done so but since there were no new factors it would pouch the report[4] rather than send it in telegraphic form. However we did ask them to telegraph in the section on Diem's capabilities and the Hoa Hao problem. So far we have had no reply.[5]

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[1] Source: Department of State, Central Files, 751G.00/6–155. Secret.

[2] Concerning the response to this message, see Document 201.

[3] Not attached to the source text.

Judging by all of the CIA reports of the past week, my conversations with CIA experts on Viet-Nam, and a pretty thorough canvass of the situation with Bob Hoey and Paul Kattenburg last Friday and again this week, there does not seem to be any evidence available in Washington at this time to indicate Diem has "bitten off more than he can chew". Of course he is being set upon by rebellious elements despite an effort on the part of the Vietnamese Government to seek a negotiation of the differences by peaceful bargaining and show of strength rather than by the test of arms. I think the real difficulty in the situation is that the Diem government and its enemies are diverting their energies from coming to grips with the real adversary of Free Viet-Nam—the Viet Minh.

Recent reports from Saigon including a field trip of Ladejinsky[6] again demonstrate the absence of political, administrative and military backing throughout the countryside. Until the national government establishes its authority with officials and security forces at the provincial and village level, Free Viet-Nam is more an expression of desire than the establishment of a fact. A great deal of time has been lost unhappily in the past six months in diversionary struggles with real and inevitable enemies such as the Binh Xuyen and French intrigues. I think it is also necessary to continue this course of action to get control of the Hoa Hao. I feel it would be a mistake to discourage the government in this project. In fact the Vietnamese Government should have support even with aircraft, ammunition and possibly operational advice. This may be a radical suggestion but once on a course I like to see it carried through.

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[4] In despatch 420, May 25. (Department of State, Central Files, 751G.00/5–2555)

[5] See Document 200.

[6] Wolf I. Ladejinsky, Land Reform Adviser at the U.S. Operations Mission in Vietnam.

199. Letter From the Director of the Office of Philippine and Southeast Asian Affairs (Young) to the Ambassador in Vietnam (Reinhardt)[1]

[Washington,] June 2, 1955.

DEAR FREDDIE: By the time this reaches you Saigon's newness will have worn off, I presume, and your mission will be well on its way.[2] There are several things I would like to jot down. The Vietnamese hot flame has simmered a bit. Of course it may flash back at any moment but fortunately this quiet time has given us a little chance to reflect on various matters.

1. *The FEC:* It seems to me we ought to have a somewhat more definite attitude as to what we want the FEC to do, if anything. My own view is we should quietly encourage the gradual and steady reduction of the FEC down to a division or corps level to be stationed near the 17th Parallel, for a few months or perhaps pulled out entirely, with naval and air units possibly remaining on. I don't see the value of the FEC even as a deterrent. It is not so much the size of the force as the legal and political relationships that may bother us, unless the Viet Minh reopens hostilities. How long will the Vietnamese tolerate a Frenchman as Commander in Chief? Is there anything in Ngo Dinh Luyen's idea that Vietnamese and French forces should not be operated from one command but rather placed under some Manila Pact organization? I feel a good deal of sympathy for the Vietnamese views that the command structure, the size and location of French forces, the over-all security of Viet-Nam, and the issue of elections are closely interrelated. I would certainly appreciate your reactions and impressions in this matter when you feel free to give them. It may be a good idea for you to send a summary of your views in a telegram, particularly on the FEC. I have recommended to Walter Robertson that we take this up with the Defense Department and the JCS pretty soon.

2. *1956 Elections:* Bob Hoey and I feel we are running into stormy weather. The Vietnamese may become more and more allergic to talking with the Viet Minh in July or thereafter. They may fear this ipso facto acceptance of the Geneva Accord and of the Viet Minh. We foresee a lot of trouble here if the Vietnamese are stubborn in the Korean fashion. I personally have a lot of sympathy for their position and hope we will not twist their arm to talk with the Communists. On the other hand their refusal will become an international issue which might be most untimely this summer whether at the

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[1] Source: Department of State, PSA Files: Lot 58 D 207, SEA, Viet-Nam Correspondence—1955. Secret; Official-Informal.

[2] Reinhardt presented his credentials on May 28.

summit, on the slopes or particularly down in the foothills. A policy of discretion is probably better than an attitude of outright defiance but we may have some real diplomatic problems here.

You may find that your counsel of caution and circumspection will not convince Diem he should indicate a willingness to open talks with the Viet Minh on July 20. This problem could become a highly inflamed public issue in Free Viet-Nam if Diem, his colleagues, the Revolutionary Committee and others begin to seize on it. It might even replace the anti-Bao Dai, anti-French theme with a great deal more effect if based on the idea genuine nationalism cannot compromise with communism in any way, shape or form. This of course would put us in a very difficult position. I think the heart of the matter would be that American public opinion would not easily support Diem if he were the obvious cause of the breakdown in the whole election problem, and if the Viet Minh threatened to intervene or caused uprisings in the South, or even moved across the 17th Parallel. Diem's refusal to talk could result in his isolation; it would all depend on how much support he had in Free Viet-Nam. As indicated in the following paragraph, Diem and the Vietnamese Government are not strongly organized throughout Free Viet-Nam, which worries us very much. Accordingly, at some point we may have to speak fairly strongly to Diem to the effect that he cannot count on us for assistance if he is the principal reason for a breakdown on the election issue resulting in a possible Viet Minh military action of some sort. We have not come to this point but it may be taken up in connection with the NSC paper on elections which is up for consideration on June 9. I am merely mentioning this matter by way of anticipation and this is purely informal.

3. *Free Vietnamese Elections:* In a recent telegram [title deleted] asked the Embassy for ideas on a decree for a National Assembly. The Embassy in turn asked us for advice.[3] Perhaps the best way for us to go about this is to engage the services of an American constitutional expert or political scientist who could go out to Saigon for a month or two. The trouble is we are so short-handed here we don't have time to really study the matter even if we had the knowledge and background. In this connection I hope we can get Paul Kattenburg out in the next two weeks.

4. *Control in Free Viet-Nam:* I am really troubled by the lack of control and authority throughout Free Viet-Nam. This is reflected in Ladejinsky's reports and in Embassy despatches and telegrams. I hope you will have a chance to talk at length with Wolf. He is a wonderfully perceptive and reliable observer. He is far more than an agricul-

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[3] In telegram 5452 from Saigon, May 24. (Department of State, Central Files, 751G.00/5–2455)

tural expert and I commend him to you most highly. If there are any additional measures we should take or urge the Vietnamese Government to take to reestablish its authority and administrative apparatus to fill the vacuum in the countryside please let us know.

5. *Force Levels for Viet-Nam:* We were impressed by the excellent job done by McKesson in Despatch No. 358.[4] The recommendation that the force goal of the national army be 150,000 was contradicted by Collins' comments in Despatch No. 393[5] which we received today. He holds to the figure of 100,000. This will have to be worked out on the ground, since the Pentagon will not originate a study but will only comment on or approve a figure submitted by MAAG. I suggest you ask O'Daniel to institute a recommendation through CINCPAC and CNO, based on Despatch 358 and commenting on 393, for consideration by the JCS. I would appreciate your comments to the Department on this matter, parallel to the communication from O'Daniel to the Department of Defense.[6]

6. *Reports:* We received a mountain of telegrams during the Collins mission many of which were in effect memoranda of conversation. The interest in Viet-Nam is so extensive here in Washington and the stakes are so high that I have been wondering about some adequate form of periodic evaluations or situation reports. The Weeka does not meet this. Perhaps it could be recast but I think a telegraphic weekly review of the situation with evaluation would be helpful. In this connection, there may be a discussion of Viet-Nam at San Francisco between the Secretary and Pinay, so we should like to have your summary of the situation on or about mid-June, but we are telegraphing you about this.

7. *Personnel:* We are certainly short-handed here and in Saigon for good political officers. We need another officer here on Viet-Nam, if we could find one. I am now wondering about the desirability of pulling Corcoran out of Hanoi and putting him in the Political Section as Acting Chief until McKillop arrives, then we could bring Frank Meloy back here in late summer or early fall. Corcoran would

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[4] In this despatch from Saigon, April 28, John A. McKesson, Second Secretary and Consul at Saigon, coordinated a 32-page country-team enclosure entitled "Problem of Combatting Communist Subversion in South Vietnam", in response to an instruction by the Department of State to provide information to the OCB in its formulation of policy toward U.S. assistance to security forces in countries threatened by "communist subversion". The gist of the report was that the threat of subversion in South Vietnam was of major proportions and likely to increase in the coming months. To combat this danger, the country team recommended delay of the schedule for demobilization of the VNA; emphasis on police training in the army; strengthening of those parts of the Vietnamese civil administration dealing with internal security, law enforcement, and local government; and continuation of the USIS propaganda campaign in South Vietnam. (*Ibid.*, 751G.5/4–2855)

[5] Dated May 11, not printed. (*Ibid.*, 751G.5/5–1155)

[6] See Documents 208 and 215.

greatly strengthen the Embassy and I hate to see his talents unused in Hanoi although he is doing a splendid job there. If you think Frank should be considered for work on Viet-Nam here in PSA, would you ask him whether he would be interested and also ask him to let me know before this proceeds too far.

I think that is everything for the moment. I hope you don't mind my sending you all the above, but several of the things in the first five paragraphs are difficult to handle telegraphically. Please let me know whenever I can be of help to your mission. Very best wishes.

Sincerely,

Kenneth T. Young, Jr.

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200. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, June 2, 1955—9 p.m.

5609. Re Deptel sent Saigon 5271.[2]

1. Following is revised summary our analysis Diem's position and future policies. Diem's major effort since taking office has been directed at solidifying government's position as supreme authority. All other aims and programs have been retarded and subordinated to attainment major goal. Secondary and more recent effort, which to some extent aimed at same goal, is establishment new base of legality for government. Fruition this effort designed to be national elections and a National Assembly which would give new constitutional base for government.

2. Diem's policy would appear to be moving into final phase of subduing organized opposition and at same time into first phase of preparing way for national political action. Having gained support of army, and being in mop-up stages of action against Binh Xuyen (who cannot, however, be entirely discounted), he is ready to move militarily against Hoa Hao. Diem probably believes success against Ba Cut and Soai will permit isolation of Cao Dai and render ineffective such groups as Dai Viet, which Palace seems to believe represent past era. It seems clear Diem has no intention broaden his government by including other national figures or elements prior formation

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[1] Source: Department of State, Central Files, 751G.00/6-255. Secret.

[2] In this telegram, May 27, the Department of State requested from the Embassy a current assessment of the situation in Vietnam and of the Hoa Hao dissident capabilities. (*Ibid.*, 751G.00/5-2555)

national assembly which he probably anticipates being able to control. Political action of "Revolutionary Committee" and exploratory efforts set up electoral system are clear signs preparation for stage two. Latest evidence indicates Diem may have determined deal with Bao Dai question prior convening National Assembly, and possibility exists government may resort to early "referendum" to provide basis for removal Bao Dai as Chief of State.

3. Following is . . . estimate of Hoa Hao capabilities: current strength Hoa Hao around 16,000 armed personnel, broken down as follows: Soai 7,000; Ba Cut 3,000; Ngo 3,000; and Nguyen 3,000. (Figures claimed are greatly in excess of these.) Ngo considered loyal to government. Nguyen officially rallied on June 1 and VNA has agreed "integrate" 3,000 his troops. Soai and Ba Cut believed ready actively to oppose government military action. Hoa Hao forces considered 30 to 40 percent combat effective compared to VNA, owing to known equipment shortages and logistic deficiencies. Possibility French resupply Hoa Hao forces discounted. VNA has 21,000 troops deployed in Can Tho, Soc Trang and Vin Long subdivisions.

4. If VNA successful in trapping Soai and preventing his movement westward to Ba Cut area, VNA should be able to reduce Soai forces to 3,000 to 5,000 men in short order. If Soai trapped and succeeds in break-out to join Ba Cut a force of 5,000 to 7,000 would remain which VNA in open battle should be able to reduce in two to three weeks to a residual force of 2,000 to 3,000 men with little or no ammunition. Should Hoa Hao avoid any large scale engagement and resort to maquis type guerilla action, they could probably maintain considerable strength for longer period. Third phase of VNA campaign against Hoa Hao would be a three month "starve out" action which would probably reduce Hoa Hao capabilities to traditional small banditry.

Reinhardt

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201. Memorandum From the Deputy Director, Plans, of the Central Intelligence Agency (Wisner) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)[1]

Washington, 3 June 1955.

SUBJECT

Current Situation in South Vietnam

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[1] Source: Department of State, FE Files: Lot 56 D 679, Vietnam. Secret.

In response to Mr. Robertson's request,[2] the following are the comments of . . . on the current situation in South Vietnam, with particular reference to Diem's current capabilities to deal with dissident elements:

"1. Premier Diem is believed capable of handling the problems he has chosen to attack at this time. Diem's Government must take a strong stand to solidify its position. Diem is more aware of the need for sure success than anyone else in Vietnam and he is therefore being most careful to stack every military and political card in his favor first. Lack of popular support behind his present enemies facilitates his actions.

"2. According to [name and title deleted], negotiations were completed on 2 June for the integration of 3,000 of Lam Thanh Nguyen's troops into the Vietnamese National Army. This follows a long held government plan to keep its enemies split into small groups.

"3. There is every evidence that the planned military operation against Tran Van Soai and Ba Cut is extremely well laid out and well developed logistically. Barring unforeseen major mistakes, there is every reason to believe that it will be successful if it is needed.

"4. Diem has shown to Colonel Lansdale the plans for military moves against Soai and Ba Cut, if such steps are necessary. . . . Diem assigned a liaison officer with Soai when Colonel Lansdale pointed out the favorable conditions for political negotiations with Soai from a Diem position of strength. It is possible that Diem is similar to most Asians and entered into political negotiations primarily to gain time in order to strengthen his military forces against Soai. However, Diem did open the way for proposals from Soai in which he reportedly asked that 'his duchy concept' be made legal. Diem turned down such a proposal flatly.

"5. On major issues Diem has given proof in the past of heeding American advice. We feel certain that Diem would listen to and thoroughly consider concrete realistic American advice directly from Ambassador Reinhardt, or through Colonel Lansdale.

"6. Diem's influence, that of his followers, and that of Ngo Dinh Nhu have brought the Revolutionary Committee under control of the Government. All moves by extremists to control the Committee have been blocked by the Government's adroit use of counter moves and balances. As an example, the demonstration of 15 May could have been made to order for exploitation by extremist or Viet Minh elements, but the whole affair was well-organized and well-controlled. Diem has no fear of losing this control.

"7. Huu is technically not under arrest, but is being detained in Vietnam and the Government has taken his passport. According to Ngo Dinh Nhu, General Le, with the full backing of Diem, was responsible for Huu's detention.

"8. The action of the Government in continuing to arrest opposition leaders could lead to increased skepticism, wariness, and concern as to the real intentions of the Government on the part of neutrals and intellectuals who are not at this time opposing the Government, although they are not supporting it. As yet, however, there is no sign of any real growth of feeling along these lines. Available information indicates that the Dai Viet sentiment will continue to be oppositionist unless the Government accepts the Dai Viets on their terms."

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[2] See Document 198.

For the Deputy Director, Plans
George E. Aurell[3]

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[3] Printed from a copy which bears this typed signature.

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202. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, June 4, 1955—8 p.m.

5643. This morning in first lengthy conversation with PriMin since my arrival following emerged:

1. When asked if explanations given him by Kidder re Paris talks had answered all questions in his mind he replied affirmatively. He added however that some press interpretations had bothered him, particularly those referring to the relative importance of Vietnam within the framework of Franco-American relations, but that he was fully aware and appreciative of the clarity and straightforwardness of the American position.

2. Re situation in southwest Diem said negotiations still dragging on but that he felt erosion of Hoa Hao would eventually reduce problem to manageable proportions. He stated integration of 3000 of Hoa Hao force of General Nguyen practically assured.

3. On subject of four power conference in Saigon I advanced considerations enumerated in paragraph 2 Deptel 5265 (rptd Paris 4245 London 6037).[2] His attitude confirmed recent reports that he is not pressing for an early meeting yet it is clear that he wishes to use proposal for conference as lever on French to force regularization of

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[1] Source: Department of State, Central Files, 751G.00/6–455. Secret. Repeated for information to Paris, Phnom Penh, and Vientiane.

[2] In this telegram, May 27, the Department of State instructed Reinhardt in his first substantive meeting with Diem to emphasize that a four-power conference idea to settle Vietnamese problems might diminish U.S. freedom of action to aid South Vietnam. Instead the Department's advice was for Diem to first dispose of bilateral problems through direct negotiations with those powers concerned. This would leave the question of elections and negotiations with the North on election procedures. In the Department's view, this was a proper issue for a four-power meeting. (*Ibid.*, 751G.00/5–2355)

status of FEC in Vietnam as well as to obtain definition of nature of Manila Pact commitment to defense of Vietnam against Viet Minh.

4. Diem linked subject of Geneva elections and declaration of Vietnam policy for unification and free elections to question of status FEC. He insisted it was not politically possible for him to run risks involved in any approach to this subject until matter of FEC regularized and his government enjoyed in fact freedom of action within its own territory.

5. Re elections for National Assembly he thought this might be accomplished by about September. FonMin in earlier conversation however expressed conviction November earliest possible date.

6. Diem agreed to our making available to Minister Interior police organization study originally drawn up by Franco-American working groups and recently revised to (1) provide for incorporation gendarméries into National Police, and (2) eliminate subject of advisory groups which could not be agreed with French.

7. Subsequent tel[3] will deal with subject paragraphs 3 and 4 at greater length.

8. In general I was impressed by PriMin singleness of purpose and deep suspicion and distrust of French, as well as by his apparent lack of any compunction in tailoring his account of events to support a point.

Reinhardt

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[3] Telegram 5677 from Saigon, June 6, not printed. (*Ibid.*, 751G.00/6–655)

203. Memorandum From the Deputy Assistant Secretary of State for Far Eastern Affairs (Sebald) to the Secretary of State[1]

Washington, June 8, 1955.

SUBJECT

Briefing Paper on NSC 5519, "U.S. Policy on All-Viet-Nam Elections"[2] up for Council Consideration on June 9.

Discussion

1. The major points in the draft statement of U.S. policy (pages 1–3) are: (a) the necessity of having a strong Free Viet-Nam for any effective approach on the election problem; (b) the desirability of Free Viet-Nam beginning consultations with the Viet Minh in July, 1955, as provided for in the Geneva Accord (para. 5); (c) the importance of stressing adequate guarantees and supervisory powers to ensure free elections and to put the onus on the Communists for preventing free elections (paras. 6–8); and (d) forceful reaction by the Manila Pact powers, and if necessary by the U.S. alone, if the Communists renew hostilities over the issue of elections (para. 10). The first point, the subject of our entire present effort in Free Viet-Nam, is proceeding with some grounds for hope that Viet-Nam now can be adequately strengthened if Diem vigorously executes the whole reform program and consolidates national authority throughout Free Viet-Nam. The other three points may also face considerable difficulties.

2. The question of pre-electoral consultations with the Viet Minh is fast becoming a major political and diplomatic problem because Diem and his ministers have tentatively indicated their opposition to opening consultations on July 20, 1955. The French and the Viet Minh are insisting that consultations begin on that day. The Indians and the British will undoubtedly concur. While Diem's position has not been finally fixed, our Embassy in Saigon has reported several times that Diem has three principal concerns:

a) Free Viet-Nam must dissociate itself completely from the Geneva Accord insofar as elections are concerned. Its position on consultations and elections will be taken not because of the Geneva Accord, which it did not sign, but on grounds of Vietnamese national interests and considerations.

b) Accordingly, Free Viet-Nam cannot even consider the question of consultations and elections until after a National Assembly has been elected and convoked, and has declared its views.

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[1] Source: Department of State, S/S–NSC Files: Lot 63 D 351, NSC 5519. Top Secret. Drafted by Young.

[2] Document 190.

c) The status and responsibilities of the French Expeditionary Corps in Viet-Nam must be settled first, so that Free Viet-Nam can have unquestioned and complete sovereignty before adopting any public position on free elections.

The NSC statement of policy assumes that Diem would agree to consultations with the Viet Minh in July, 1955, and would agree to take the initiative with respect to the whole matter of free elections regardless of Vietnamese objections to the Geneva Accord and to formal discussions with their enemy, the Viet Minh. The draft statement of policy will remain valid only if Diem eventually agrees to some kind of discussions with the Viet Minh. On May 27 we instructed Reinhardt to discuss this whole matter with Diem pointing out the disadvantages of opposing talks and losing the initiative. We have not received Diem's detailed views or intentions.

If Diem continues to oppose talks with the Viet Minh for the above stated three reasons, the U.S. will soon have to decide whether it should or could compel Diem to agree to talks beginning on July 20 rather than wait for the views of the National Assembly some time next fall. It may be that Diem is deliberately using the election issue to bargain with the French over the FEC and possibly with the U.S. over security guarantees for Viet-Nam. If we point out the difficulties for the U.S. in his opposition, particularly in terms of our military support, he may come around. However, he may insist on putting the issue to a National Assembly. This will be hard for us to counter. And the Assembly with widespread support may later oppose any talks with the Viet Minh on elections. Thus, the failure to hold consultations in July and the possible continued failure to meet Communist demands on elections may create a pretext for Communist subversive or overt military action either to frighten the people in South Viet-Nam or to attempt a forceful seizure of power. Politically, however, the initiative would pass to the Communists.

3. Regarding conditions for free elections, the Vietnamese, French, British, Canadians, Indians and others will agree in principle at least initially, although we have not heard formally from them. But, the difficulty to anticipate is the possible attempt of the French, British and Indians to water this position down if the Viet Minh makes seemingly plausible and moderate proposals, as intimated in the Viet Minh statement of June 6. Once consultations with the Viet Minh are started, it is probable Free Viet-Nam and also the United States will be under increasing pressure to accept a compromise with the Viet Minh. Therefore, it may become increasingly difficult to demonstrate, as called for in para. 7 of the NSC paper, that the failure to secure free elections is the fault of the Communists.

4. The JCS have proposed an amendment of para. 10,[3] ostensibly to make it clearer that U.S. reaction to possible Communist reopening of hostilities should be taken under the Manila Pact. In fact, however, their proposed amendment deletes the recommendation that, provided Viet-Nam follows the recommended policy, the U.S., if necessary, be prepared to react alone to Communist renewal of hostilities if it proves impossible to gain concerted action from its major allies. We have no quarrel with the idea that action should be taken under the Manila Pact, and the original language was intended to provide that action be taken under the Manila Pact. But we think it important that the Council realize that we may face a situation in which we may not, initially at least, have support from our major allies and that the Council decide whether or not under those circumstances the U.S. should be prepared to act alone. Accordingly we recommend either that the original language be restored, or that the phrase "preferably in concert with the Manila Pact allies of the U.S., but if necessary alone" be added to the JCS language.

Recommendations

1. It is recommended that you support the approval of the draft statement of policy, but that you also point out:

a) Free Viet-Nam's delay or rejection of consultations with the Viet Minh on July 20 will create real political difficulties and hold up the implementation of this policy;

b) it may be difficult to maneuver the Viet Minh into a position of rejection of the conditions of free elections;

c) in view of the importance to the security of Southeast Asia of preserving Free Viet-Nam, the original language of para. 10 should be retained, or the phrase "preferably in concert with Manila Pact allies of the U.S., but if necessary alone" should be added to the JCS language.

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[3] According to a memorandum from the JCS to the Secretary of Defense, May 25, transmitted to the NSC by Lay on June 2, the JCS recommended the following revision of paragraph 10 (the italics represent the additional language recommended by the JCS and the cancelled type the deletions proposed):

"If pursuit of the above policy should result in a renewal of hostilities by the Communists, the U.S., in the light of the general circumstances then prevailing, should be prepared to oppose any Communist attack *by immediately invoking the Manila Pact and taking vigorous action thereunder to repel the Communist military aggression*~~. with U.S. armed forces, if necessary and feasible consulting the Congress in advance if the emergency permits preferably in concert with the Manila Pact allies of the U.S., but if necessary alone.~~" (Department of State, S/S–NSC Files: Lot 63 D 351)

204. Memorandum of a Conversation, Department of State, Washington, June 8, 1955[1]

SUBJECT

Meeting in the Secretary's office on Vietnamese Elections, June 8

PARTICIPANTS

The Secretary
Mr. Bowie
Mr. Phleger
Mr. Sebald
Mr. Schwartz
Mr. Young

After the Secretary had read the NSC draft statement of policy[2] and the briefing memorandum,[3] the following points came up:

1. In connection with the application of the Manila Pact to Communist resumption of hostilities over the election issue, it was generally agreed that the U.S. could act alone if necessary after consulting its allies. As Mr. Bowie emphasized, it would be important to show cause that the Free Vietnamese and others had made every normal effort to carry through with elections and that the onus for the breakdown was on the Communists. Mr. Bowie stated that the important point is for the NSC to face up to the problem of what the United States will do if the Communists should react militarily. If the U.S. Government and the JCS agree to intervene on behalf of Free Viet-Nam in such circumstances, then we can go ahead with a strong position on elections. If, on the other hand, we are going to back away from such intervention, we should not encourage Diem to take an adamant position.

2. The Secretary felt that we needed flexibility in handling this whole matter in view of Diem's position. Our position in effect was that we were telling Diem to do everything possible to frustrate the holding of elections by insisting on conditions which the Communists could not possibly accept, and then if the Communists attack we would indicate to Diem in advance that we would intervene on his side. This did not seem to be altogether a sound position, particularly if Diem had some different views.

3. The question of whether the elections provision is binding on Diem was discussed at length. Since he has accepted some of the benefits of the Geneva Accords, is he thereby morally or otherwise obligated to adhere to other provisions of the Geneva Accords? Mr.

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[1] Source: Department of State, PPS Files: Lot 66 D 70, Vietnam. Top Secret. Drafted by Young on June 10.

[2] Document 190.

[3] *Supra.*

Phleger emphasized that, whether he is legally bound or not, the effect and intent of the Geneva Accords was to arrange for a political settlement by elections. If that settlement is frustrated in any way the United States and Free Viet-Nam will face great difficulty with the French and British.

4. Diem's current position was also discussed: he is not bound by and must dissociate himself from the Geneva Accords, he must have an agreement with the French on the FEC first, and he has no mandate regarding elections until a National Assembly is formed. It was recognized that there is much force in his arguments and that he is in a strong position to make these claims. However, Mr. Sebald pointed out that Diem's delays will provoke ICC or other intervention which could be dangerous. The question was raised as to how far the U.S. should or could go in compelling him to follow through in accordance with the Geneva Accords. Should we tell him that U.S. military intervention will not come if he does not follow the Geneva Accords. The Secretary put the matter this way: If Diem does not conform to the provisions of the Geneva Accords and if the Viet Minh invades Free Viet-Nam, would we or would we not consider the Viet Minh action a breach of the accords and would come to Diem's aid or not by invoking the Manila Pact? If Diem does conform fully to the provisions of the Geneva Accords, consults with the Viet Minh, takes the desired position on the genuinely free elections and then the Viet Minh are so frustrated that they invade with force, we apparently would then consider that a breach of the Geneva Accords, and invoke the Manila Pact. The question was left for further consideration.

5. It was also recognized that the French, British and Indians would insist on a precise implementation of the Geneva Accords. They might also water down position on free elections.

6. Mr. Young pointed out that as far as we know Diem's policy is not yet hardened. His attitude seems to divide into two main categories: (a) the general proposition of genuinely free elections which he probably accepts, although he fears the French, British and Indians will put tremendous pressure on him to compromise with the Viet Minh; and (b) the important questions of the basis and arrangements for consultations with the Viet Minh. It is this current aspect of the problem that appears to be giving Diem the most concern.

7. Mr. Young also pointed out that the Viet Minh might attempt to define the term "competent representative authorities of the two zones", in the third sentence of para. 7 of the Geneva Declaration, as meaning the French High Command in the southern Zone.

8. Mr. Young showed the Secretary the joint statement issued by representatives of the Viet Minh and the French High Commands on May 17 (FBIS of June 7) which stated both parties believed in imple-

menting scrupulously the clauses and provisions of the Geneva Accords dealing with consultations and elections.

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205. Memorandum From the Deputy Assistant Secretary of State for Far Eastern Affairs (Sebald) to the Secretary of State[1]

Washington, June 9, 1955.

SUBJECT

Postponement of Briefing Paper on NSC 5519, "U.S. Policy on All-Viet-Nam Elections" up for Council Consideration on June 9

I suggest that you recommend to the Council postponement of its consideration of this paper at least until certain aspects of it can be clarified, and with no definite date set for any reconsideration.

The reasons for deferment are as follows:

1. It may not be possible to implement the paper as drafted. It assumes Diem will go along with consultations with the Viet Minh and that a clear-cut issue over free elections will come about. That may not be correct.

2. Before we formalize any statement of policy on this subject we should have a clearer and more precise view of the Vietnamese position than at present.

3. The question of pre-electoral consultations on July 20, 1955, with the Viet Minh is becoming a major political and diplomatic problem. The French, British, Indians, and the Viet Minh will insist on them.

4. Diem and his government may refuse because in his view:

a) He and his government did not sign the Geneva Accord and protested it. Therefore he is not legally bound by its provisions on elections. He wants to dissociate Free Viet-Nam completely from the Accord and does not feel compelled to meet with the Viet Minh beginning on July 20th.

b) Free Viet-Nam cannot consider the question of consultations and elections until after a National Assembly has been elected and convoked, and has declared its views. He has no mandate to talk with the Viet Minh about elections until he has the backing of some representative body.

c) The status and responsibilities of the French Expeditionary Corps and the French High Command must first be settled before determining his policy on consultations and elections. Free Viet-Nam must have unquestioned and complete sovereignty prior to adopting any public position on free elections.

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[1] Source: Department of State, Central Files, 751G.00/6–955. Top Secret. Drafted by Young. According to a marginal note on the source text by O'Connor, Dulles saw this memorandum.

d) While the opposition to the principle of genuine and adequate safeguards is acceptable, international pressures will compel them to compromise with the Viet Minh and so lose Free Viet-Nam.

5. The purpose of the draft paper was to take a position so our policy in the event of Viet Minh aggression would be clear. We have been calling Diem's attention to the dangers in his taking a negative position. These are: (a) he will give the impression of being against free elections, while the Viet Minh seize the initiative and for propaganda purposes seem to be for them; (b) his rejection of consultations will provoke the International Control Commission, or the two co-chairmen to set the date, place and circumstances for consultations; and (c) the Viet Minh might seize upon his opposition as a pretext for terrorist and subversive activities in Free Viet-Nam before he is strong enough to combat them, or even to threaten military aggression. This would hinder our position on military reactions.

6. Accordingly, it would be better to proceed with our exchange of views in Saigon with Diem, as well as with the British, French and Canadians before fixing a draft statement of policy. We will need a maximum amount of maneuverability in any event.

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206. Memorandum of Discussion at the 251st Meeting of the National Security Council, Washington, June 9, 1955[1]

Present at the 251st Council meeting were The President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of Defense; Mr. Robert E. Matteson for the Director, Foreign Operations Administration; the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Acting Attorney General (for Items 1 and 2); the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission (for Items 1 and 2); the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; Special Assistants to the President Anderson and Rockefeller; the NSC Representative on Internal Security (for Item 1); the White House Staff Secretary; the Deputy Assistant to the President; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

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[1] Source: Eisenhower Library, Whitman File, NSC Records. Top Secret. Drafted by Gleason on June 10.

There follows a summary of the discussion at the meeting and the main points taken.

[Here follows discussion of items 1. "Emergency Relocation Plan—National Security Council"; 2. "Report by the Chairman, Atomic Energy Commission"; and 3. "Significant World Developments Affecting U.S. Security".]

4. *U.S. Policy on All-Vietnam Elections* (NSC 5405; NSC 5429/5; NSC 5519; NSC Action No. 1316–d; memo for NSC from Executive Secretary, same subject, dated June 2, 1955[2])

As Mr. Dillon Anderson began to brief the National Security Council on the content of the subject report (NSC 5519), the President interrupted to inquire of Secretary Dulles whether this was not the report which he, Secretary Dulles, desired to postpone. Secretary Dulles acknowledged that he had suggested postponement of Council consideration of this problem because the situation was not sufficiently clear to warrant Council action at this time. The British and the French, not to mention the Government of Free Vietnam, had not yet made their positions clear with respect to the election problem. If the Council were to consider this paper now, it would only be obliged to go through the process again at a later date.

Secretary Wilson said that the people in the Department of Defense felt exactly the same way as the Secretary of State about this matter.

Mr. Anderson then briefly explained that the Planning Board had submitted the present draft report as a result of a Council directive of last January. He said that he too had entertained doubts as to whether the technique and details of the election problem in Vietnam were properly in the realm of NSC policy. He said accordingly he was perfectly happy to defer action on this aspect of the problem, but that he did feel that it would be useful if the Planning Board were authorized to study the paragraph in our basic policy on Vietnam (paragraph 5–d of NSC 5429/5) which was concerned with the more general matter of what the United States should do in the event that the Communists renewed aggression in Vietnam. This question was not altogether clear, and was certainly suitable for NSC action.

Secretary Dulles nodded agreement to Mr. Anderson's proposal.

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[2] This memorandum, which transmitted the views of the JCS on draft NSC 5519 to the NSC, is not printed, but see footnote 3, Document 203.

The National Security Council:[3]

a. Noted the draft statement of policy contained in the reference report (NSC 5519) and the views of the Joint Chiefs of Staff transmitted by the reference memorandum of June 2.

b. Agreed that Council recommendations as to U.S. policy on all-Vietnam elections are not required at this time.

c. Noted that U.S. policy in the event of a renewal of hostilities by the Communists in Vietnam would be governed by the provisions of paragraph 5–d of NSC 5429/5, pending a review of that paragraph by the NSC Planning Board.

Note: The actions in b and c above, as approved by the President, subsequently transmitted to the Council for information.

[Here follows discussion of item 5, "Deployments and Strength of U.S. Ground Forces in the Far East".]

S. Everett Gleason

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[3] The following paragraphs and note constitute NSC Action No. 1415, a record copy of which is in Department of State, S/S–NSC (Miscellaneous) Files: Lot 66 D 95.

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207. Letter From the Director of the Office of Philippine and Southeast Asian Affairs (Young) to the Ambassador in Vietnam (Reinhardt)[1]

Washington, June 10, 1955.

DEAR FREDDIE: The issue of elections in 1956 and consultations with the Viet Minh are the current top-drawer aspects of Viet-Nam. A brief NSC paper was prepared for the Council's consideration on June 9, which we discussed Wednesday afternoon with the Secretary.[2] For various reasons, it was decided to recommend indefinite postponement of the Council's consideration of the paper, which the Council accepted. I am attaching a copy of the briefing memoranda I did for the Secretary on this subject, as well as some informal notes on our meeting with him.[3]

Some of us are quite impressed with the position of Diem as reported in your telegrams. It seems to us it makes a lot of sense for him to get his position worked out with the French and ensure Big

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[1] Source: Department of State, Saigon Embassy Files: Lot 61 F 22. Top Secret; Official–Informal.

[2] See Document 204.

[3] The notes were not attached to the source text; for texts of the briefing memoranda, see Documents 203 and 205.

Three support of his government. There is also a good deal of merit in his claims that he must not associate himself in any way with the Geneva Accord and that he must have some democratic mandate before entering into such a serious matter as consultations with the Viet Minh. Vietnamese officials betray a good deal of apprehension and suspicion which I think is well founded. Will they not be exposed to tremendous pressures to compromise with the Viet Minh? Is there not a possibility that they might have to accept some agreement which would in effect result in a Viet Minh victory? These are real concerns. The thinking here is more and more that the United States, itself not a signatory, should not try to compel Diem to follow through precisely according to the Geneva Accords. It may be that his way could be a lot more effective.

This will run into numerous difficulties and risks. The French, British and Indians are going to press us hard to force him into line. There may be even another crisis over Diem, this time with the French laying down an ultimatum that Diem must go or else. Also the Viet Minh will probably strike up a belligerent and threatening barrage of words. This may in turn be coupled with subversive and terrorist activities in the South. Ultimately, of course, there is the threat of a Viet Minh invasion.

On the other hand Diem may be in a strong position nationally and internationally. He is trying to save people from Communism. He does not want to be forced into complying with a document he rejected and has never recognized. He does not want to assume the position of a dictator engaging in profoundly important talks with the enemy before there is some democratic expression in the South giving him a valid and legal mandate. He is not going to be forced into this by the French. On the other hand the Viet Minh in the eyes of the Vietnamese are forcing the Geneva Accords on the country and are working closely with the French to do this. In the United States, and I suspect many other countries, there will be great sympathy and support for Diem and the Nationalists.

These are just tentative views but we are trying to work up something for high level decisions.

With very good wishes,

Sincerely,

Ken

Kenneth T. Young, Jr.

208. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, June 11, 1955—4 p.m.

5769. Ref: Deptel 5235.[2] This is country team message.

1. Purpose of this message is to outline results of analysis just completed by country team of costs of past five months of Vietnam military program; to estimate requirement for U.S. financial support for program balance of CY55; and, based on these analyses and estimates, to provide data requested in reftel.

2. a. As Dept is aware, original estimates of costs of military program for CY55 ($303.2 million) was compiled early this year from the data then available and predicated on assumption that plans for phased reduction of armed forces would be carried out on schedule and that programs of reorganization, training, and construction of facilities would proceed in orderly manner.

b. Political events of past months and difficulties between govt and sects have drastically upset military program in all its aspects with consequent impact on original cost estimates for period to date and for balance of year. Most obvious development has been slowdown in schedule of force reductions, coupled with integration by govt of sect forces into army, thus creating higher level of forces than expected. Additional $40 million requested in Embtel 5172[3] were funds estimated as required to meet cost of such larger forces, including integration of sect troops as part of long-range solution to sect problem proposed to in [*sic*] govt in Collins–Ely plan.

c. Although pay, allowances, and personnel support element of costs of forces have been greater than the original estimate due to higher troop strength, it now appears, after country team analysis, that U.S. fund requirements for other items will be less than expected. For example, during first five months CY55 practically none of planned construction was able to be carried out, and MAAG estimated that over entire year only two-thirds of funds designated in original construction program can be obligated.

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[1] Source: Department of State, Central Files, 751G.00/6–1155. Secret. Repeated for information to Paris; passed to FOA, Defense, and CINCPAC.

[2] In this joint State–FOA–Defense message, May 25, Reinhardt was informed that he should not consider himself limited to the plan for sect integration into the VNA prepared by the Collins–Ely group. For Reinhardt's and the Embassy staff's information, the Washington agencies sending the cable required an explanation of requirements for additional funds over $223.4 million already obligated for Vietnamese troop support and an estimate of Vietnam's ability to increase its own financial contributions to the program and others. Finally, the Embassy was asked to comment on the assumption that the already funded expenditures and the estimated Vietnamese contribution of almost $80 million would be sufficient to cover additional costs requested by Collins. (*Ibid.*, 751G.00/5–1455)

[3] The reference is in error; it should be to telegram 5173 from Saigon, May 10. (*Ibid.*, 751G.00/5–1055)

3. Following is situation as it now stands:

a. Strength of Vietnamese armed forces as of 1 June 55 was 182,000 of which 17,000 are sect forces. 3,000 additional sect forces will be integrated under Collins–Ely plan.

b. Conscription of low-pay personnel does not appear feasible in CY55.

c. A total of $108.1 million has been spent or committed for support of VN forces thus far in CY55 (to 1 June). Of the entire $303.2 million, there thus remains $195.1 million for balance of CY55.

d. The reduction of force level by 31 Dec 55 at the slowest of reduction rates to 170,000 (including 20,000 sects), a level believed by the Chief, MAAG to be minimum that should be reached in light of operational requirements, MAAG now estimates that [$]26.8 million additional will be needed for CY55. Country team recognizes that larger force reductions this year would be desirable, but believes possibility that conditions of internal instability that have thus far caused delay in forces reduction program may continue throughout rest of year, and we should be prepared for this contingency. Country team therefore urges that 26.8 million (in lieu of $40 million requested in Embtel 5173) be made available.

4. Force strength for June through December estimated to average 182,000 costing $31.7 million per month for seven month total of $221.9 million. This calculation based on $2,000 per man year plus additional $1.3 million per month for construction new facilities during last seven months to make up part of construction program delayed during first five months. Reduction of 12,000 to end-year level of 170,000 will be made latter months of year (Nov, Dec) if conditions permit. No assurance present political conditions will be stabilized sooner hence funds requested in light present situation.

5. Estimates of portion to be financed by local currency and portion by foreign exchange is based on tentative breakdown provided by Defense Ministry. Criterion used was whether items to be purchased are easily available in VN or need to be purchased abroad. Estimate is for 89 percent piastre expenditures and 11 percent foreign exchange expenditures.

6. Costs for CY56: If forces at beginning of CY56 are at strength of 170,000, costs for CY56 will be much higher than $180 million originally estimated when it was assumed level would have been reduced to 100,000 by 1 Jan 56 and conscription begun 1 Sep 55. Estimate of specific costs depends on what reduction schedule is followed in CY56. In this connection attention invited to MAAG report titled "Development of a Force Basis for a Time-Phased FY57 MDA

Program for Indo-China"[4] delivered CINCPAC via courier last days of May in which MAAG recommends force level of 170,000 until 1 July 56, and reduction to 150,000 by 31 Dec 56 with conscription starting 1 Jan 57; and Embassy–USOM recommend reduction to 100,000 man structure and beginning of conscription early in CY56.

a. On basis MAAG recommendations, total cost CY56 would be $336 million compared to $180 million originally estimated, and would entail increasing U.S. contribution from FY56 funds by difference $156 million, inasmuch as VN considered unable increase its contribution.

7. Re VN increase in its financial contribution for CY55 beyond $70.8 million presently estimated, country team believes such increase not possible for following reasons:

a. Increase in 800 million piastre surplus in civilian budget not likely since, as result of slow-down in importing, anticipated government revenues from customs duties may fall short of VN expectation. Reduction civil expenditures unlikely. Extra budget funds probably needed for Garde Civile.

b. VN Govt expected to borrow 400 million piastres from Central Bank to complete its contribution to military expenditures in CY55. Govt also plans other financing by this means, i.e., capital for investment bank and agricultural credit. Also govt will need to resort to increased deficit financing in CY56 when reimbursements of VN contribution to 1954 military expenditures will not be forthcoming. Therefore increased borrowing from VN National Bank to raise VN contribution to military program in 1955 is considered unfeasible.

8. Summary:

a. $26.8 million of full $40 million additional funds requested Embtel 5173 now required to carry out military program CY55 with force strength outlined para 4 above. These funds would also satisfy requirements for sect integrations proposed in Collins–Ely plan. (It should be noted that govt has already integrated totals of sect forces approximately those proposed in Collins–Ely plan, i.e. 17,000 including 3,000 of Gen Ngo, although integrations have not been accompanied as yet by other actions suggested in plan such as demobilization and resettlement of sect forces and arrangement for specific locations of units.)

b. Costs of CY56 military program will depend on Washington decisions as to force levels to be supported in CY56 based upon recommendations contained in correspondence referred to in para 6 above.

Reinhardt

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[4] Dated May 23, not printed. (*Ibid.*, Saigon Embassy Files: Lot 61 F 22)

209. Memorandum From the Deputy Assistant Secretary of State for Far Eastern Affairs (Sebald) to the Secretary of State[1]

Washington, June 14, 1955.

SUBJECT

Viet-Nam

Discussion

Conditions have changed somewhat during the past couple of months when our basic thinking on elections in Viet-Nam was developed. This memorandum and attachments set out some of these changes and recommend a revised position for your approval.

As I see it, one of our basic objectives in Viet-Nam is to prevent the Communists from winning any kind of elections whereby they would take over control of all Viet-Nam by political and legal means. We would not object to an indefinite but ostensibly temporary division of Viet-Nam as presently constituted. The logical corollary of this policy is that neither side would undertake military operations to try to conquer the other. The real considerations then in such a policy are whether the Geneva signatories will condone a divided Viet-Nam, whether the Communists will resort to arms to obtain control of all Viet-Nam, and what means we have for carrying out our policy with the best chance of success.

Our preliminary position on free elections in Viet-Nam assumed the Communist bloc would never agree to genuinely free elections in Germany, Korea or Viet-Nam. There are some slight warnings that this assumption may no longer hold true and in any event should be critically tested. It is conceivable that the Soviets might change their position on Germany and perhaps even on Korea. If they did, they might certainly come out strongly for free elections in Viet-Nam where they might have at this stage a much better chance for winning than in Korea or Germany. It therefore appears necessary for us to enlarge the scope of our position on elections so that it can accommodate political developments in Free Viet-Nam and better provide an opportunity to achieve our objectives.

Our preliminary views on elections also assumed that the Diem Government would go through with consultations with the Viet Minh beginning on July 20, 1955, make no trouble over the Geneva Accords, and advocate generally free elections with adequate safeguards, etc. This assumption is no longer true. Diem will not be bound by the Geneva Accords. He presently opposes consultations or statements on elections until he has secured certain military agreements from the French and until a National Assembly has been formed. These conditions of his have much merit and permit us to shift somewhat the basis for our position. This is suggested in the attached position paper.

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[1] Source: Department of State, Central Files, 751G.00/6–1455. Secret. Drafted by Young and approved in draft by Phleger, MacArthur, Bowie, and ~~Tyler~~.

In essence our position would be that the whole subject of consultations and elections in Viet-Nam should be left up to the Vietnamese themselves and not dictated by external agreements which one of the parties never accepted and still rejects. We would continue to stand on the U.S. declaration at Geneva and continue to favor genuinely free elections for unification. The position of the Vietnamese Government would be greatly strengthened if it had the backing and the opinion of a National Assembly. This position would be strictly in keeping with the fundamental doctrine of "consent of the governed". The U.S. cannot be a party to political acts or decisions which do not reflect the will of the people validly ascertained and expressed.

This leaves the question of possible resumption of hostilities by the Viet Minh on any pretext over the failure to open consultations on July 20 or failure to come to an agreement on the unification of Viet-Nam. The current "peace offensive" of International Communism makes Viet Minh renewal of hostilities improbable but the U.S. should be prepared for such an eventuality. We should know how far the U.S. will go in backing up Diem. We should be able to tell him that, if he takes a strong position advocating genuinely free elections, the U.S. would come to his side with military support if the Viet-Minh should resort to aggression. We will also have to face up to the possibility in the next month or two that the Viet Minh will exert a tremendous pressure on Free Viet-Nam through threats and terrorism. We should also be able to give Diem some assurances of support in this contingency. This whole matter is now the subject of a review within the NSC.

There may be additional difficulties in our position. The growing strength of Diem and the Nationalist forces will compel the Viet Minh to revise their entire strategy and tactics on Viet-Nam. If the French reject Diem's position, it may bring about a serious cleavage between them which will raise a critical policy problem for the U.S. The French may even demand or try to bring about the replacement of Diem. The British and Indians may also oppose the above position and Diem's policy.

Recommendation

It is recommended that you approve the attached position papers on (a) consultations and elections, and (b) the status of the French Expeditionary Corps, and the French High Command in Viet-Nam.[2]

[Tab A]

VIET-NAM, CONSULTATIONS AND ELECTIONS

Anticipated French and British Position

(a) They are primarily concerned now over getting consultations organized with the Viet Minh beginning on July 20. The French aide-mémoire May 23[3] urged a tripartite agreement for presentation to the Vietnamese in four-power conference in Saigon.

(b) French will oppose Diem's position of delay. They may also oppose negotiations with Vietnamese over FEC as a prior condition to consultations with the Viet Minh.

(c) The British will side with the French and urge strict compliance with Geneva Accords.

Vietnamese Position

1. Diem has not declared himself finally on consultations or elections. His present position appears to be:

(a) He and his government did not sign the Geneva Accords and protested them. Therefore he feels he is not legally bound by the provisions on elections, and will dissociate Free Viet-Nam completely from the Accords. He does not feel compelled to meet with the Viet Minh beginning on July 20th.

(b) Free Viet-Nam cannot consider the question of consultations and elections until after a National Assembly has been elected and convoked, and has declared its views. He has no mandate to talk with the Viet Minh about elections until he has the backing of some representative body.

(c) The status and responsibilities of the French Expeditionary Corps and the French High Command must first be settled before determining his policy on consultations and elections. Free Viet-Nam must have unquestioned and complete sovereignty prior to adopting any public position on free elections.

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[2] There is a marginal note on the source text indicating that Dulles saw this memorandum and a check indicating that the recommendation in this memorandum was approved.

[3] A summary of what was more accurately described as the French "informal paper" of May 23, is in telegram 5104 from Paris, May 23. (Department of State, Central Files, 751G.00/5–2355)

(d) While the principle of genuine and adequate safeguards for elections is acceptable, international pressures may compel the Vietnamese to compromise with the Viet Minh and so lose Free Viet Nam. Diem reportedly believes the U.S. will back him in insisting on full safeguards for truly free elections but is doubtful of British and French support if the Viet Minh offer seemingly reasonable counterproposals.

U.S. Position

1. We sympathize with Diem's position outlined above which seems logically and morally correct. He has not rejected the concept of free national elections. He is only registering a desire to proceed differently than prescribed at Geneva and with assurance of a popular and legal mandate from the free Vietnamese. Diem seems in a strong position to make these claims.

2. We will continue to urge Diem to take a vigorous public stand in favor of genuinely free elections for Viet-Nam with all necessary safeguards to ensure a true expression of the will of the people. However, we will not press him to begin consultations on July 20 if he can claim valid reasons for following another course and obtain Vietnamese support in his stand. Paragraph 7 of the Geneva Declaration does not seem to us to be a binding requirement to begin consultations exactly on the day of July 20, 1955.

3. We should tell Diem:

(a) His attitude will provoke strong international pressures from the ICC, the UK, France and the Communists, on both Free Viet-Nam and the U.S. to implement the provisions of the Geneva settlement.

(b) If the Vietnamese find themselves alone on this issue and if they appear to be the violators of the Geneva Accords, the U.S. Government would be put in a very difficult position to come to their aid should the Viet Minh attack. U.S. public opinion might find support hard to justify if it seems Diem is against free elections.

(c) Should the Viet Minh now oppose Diem's position with strong terroristic action throughout the South, possibly including semi-military operations, Free Viet-Nam's capability for counteraction would be less this year than probably will be a year from now.

4. We believe Diem will have considerable support in Viet-Nam and the U.S. for his stand. Our own position on free elections would stand greater chances of implementation if the Vietnamese Government had the firm backing of a National Assembly before and during negotiations with the Viet Minh. This might also reduce the effectiveness of Viet Minh pressures.

5. We recognize that Diem's postponement of contacts with the Viet Minh in the South might engender very serious Communist counter-actions—possibly including renewed terrorism in the South

and open rebellion and guerrilla warfare by Communist elements, and conceivably even resumption of hostilities across the 17th Parallel. There is also the problem of ICC and Indian diplomatic pressures, as well as that of the signatories of the Geneva Declaration. All these parties will probably reject Diem's position because of the very serious risks inherent in it. However, we believe on balance the position of the free world would be stronger if Diem's plan were supported rather than frustrated:

(a) There probably will be pressures upon the Viet Minh by Moscow and Peiping to avoid actions which might precipitate world conflict;

(b) Viet Minh capabilities in South—while great—are probably insufficient at this time to overthrow the Free Viet-Nam regime without direct Viet Minh military support from across the 17th Parallel;

(c) Diem's position will be approved by the majority of his nationalist supporters in the South, and his courageous resistance to Viet Minh blandishments and threats may well make him increasingly popular and hence strong;

(d) We believe that if Diem now can develop wide popular support for his position on elections he might be in a better position later to resist pressures from the British, French and Indians to accept what will probably seem to be "reasonable" Communist proposals for elections, although in fact such proposals would be cleverly designed to deliver all Viet-Nam to the Viet Minh.

[Tab B]

THE STATUS OF FEC AND THE FRENCH HIGH COMMAND IN VIET-NAM

Anticipated French Position

1. The French will probably seek our views in the light of the Vietnamese request of June 6 for negotiations on this subject. The French reaction is not yet definitely known.

2. However, French might react negatively to the Vietnamese proposal for negotiations and to the Vietnamese desire for a military agreement defining the responsibilities of the FEC and the French High Command in Viet-Nam. On the other hand, the French may not oppose Vietnamese desire for total withdrawal French ground forces and retention of only naval and air forces. However, the French may ask us to permit withdrawal of two squadrons of B–26's to Algeria, which would nullify the Vietnamese desire to retain some French air power.

3. The Acting French Commander in Chief, Saigon, has informed our Embassy that all French forces are now concentrated in the area of Saigon and Cap St. Jacques except for a battalion of "symbolic value" near the 17th Parallel. Presumably the French intend to continue to concentrate the FEC far in the South rather than maintain forces near the 17th Parallel to deter or meet aggression.

United States Position

1. In general, it is better from the political viewpoint for France and the free world if France negotiates with the Vietnamese regarding the status of the FEC and French High Command in Free Viet-Nam rather than to face nationalistic demands for an immediate and necessarily precipitate withdrawal of all French forces.

2. We hope the French will accept the Vietnamese request for negotiations in a friendly and constructive spirit and the negotiations will be quickly and effectively concluded in an agreement. Such negotiations would enhance the Vietnamese position. We see much political advantage in having the command responsibilities clarified so that there would be no doubt that the Government of Viet-Nam is fully responsible for internal security in Free Viet-Nam and is not dependent upon an outside power.

3. We would think that pursuant to Article IV of the Manila Pact and its Protocol France could negotiate a status of forces agreement with Viet-Nam regulating the responsibilities, obligations and location of residual French forces for the purpose of joint undertakings in meeting external aggression against Free Viet-Nam and a threat to the treaty area of a Viet Minh attack.

4. From a political point of view it would seem advisable for the concentration of French forces in the Saigon area to be reduced or eliminated in an orderly manner as soon as possible. The French Prime Minister made this suggestion during the Paris talks and the Secretary of State concurred. It would be preferable for majority of residual French ground forces to be stationed near the 17th Parallel if the FEC is to retain any deterrent effect whatsoever.

5. If the Government of Viet-Nam desires the total withdrawal of French ground forces, the U.S. would not object. The Vietnamese Government is in a stronger internal position than two months ago. The increasing political liabilities of the presence of French forces in Viet-Nam may outweigh the military advantages, which were previously anticipated. If the French Government accepts this Vietnamese proposal, the U.S. would hope it would be carried out in an orderly manner and that French instructors would remain as an essential element in reorganizing, training, and providing logistic support for Vietnamese armed forces. At the same time there would be no political reason for opposing the retention, as a deterrent, of a small nucleus

of French ground forces with adequate air support stationed near the 17th Parallel for patrolling the demarcation line and occupying strategic or tactical bases in that area.

6. As to command relationships between French and Vietnamese, this is a matter for them to work out on the basis of the best possible mutual relationships by joint Vietnamese-French arrangements. If the responsibilities for external defense are settled, we see no need for the French to hold the position of commander in chief over Vietnamese forces, except in the event of aggression.

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210. Despatch From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

No. 453 *Saigon, June 15, 1955.*

SUBJECT

Conversation with Diem Concerning Agrarian Reform Program and Related Matters.

There is enclosed, for the Department's information, a memorandum of conversation held on June 1, 1955, between Prime Minister Ngo Dinh Diem and USOM consultant, W. I. Ladejinsky.[2] Mr. Ladejinsky has been following closely the agrarian reform program in Vietnam and had come to see the Prime Minister, at the latter's invitation, to discuss recent developments in the program.

In addition to the question of land reform, the conversation touched on the problem of the resettlement of refugees, the ineffectiveness of the local civil administration, and recent political developments including the sect problem. As in earlier conversations, Diem continued to give the impression of viewing the various economic, social, and administrative programs discussed as subordinate to the immediate political and military problems with which he was engaged. The Prime Minister appeared serene and confident, and expressed his conviction that the Hoa Hao rebellion would be successfully dealt with. His attitude toward the French continued to be critical, but he appeared considerably less bitter than in the past.

Randolph A. Kidder
for
G. Frederick Reinhardt

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[1] Source: Department of State, Central Files, 751G.00/6–1555. Confidential. Drafted by John A. McKesson III, Second Secretary of Embassy.

[2] Wolf I. Ladejinsky had the title of Land Reform Adviser.

[Enclosure]

Memorandum From the Land Reform Adviser in the United States Operations Mission in Vietnam (Ladejinsky) to the Ambassador in Vietnam (Reinhardt)[3]

Saigon, June 7, 1955.

SUBJECT

Visit with President Ngo Dinh Diem

. . . .

(4) The nature of my report was three-fold: The sad state of the agrarian reform; the poor progress of settling refugees on land, and the problems presented by local administration.

As to the agrarian reform, I told the President that the appointment of a Minister for Agrarian Reform[4] was certainly a step in the right direction but that, to date, the reform is not off the ground, and that there are no indications that the situation will undergo a favorable change in the immediate future. I pointed out why the tenants show no interest in his program; the potent influence of the Communists in this connection; the preference for land ownership to rent reduction; and the political and administrative vacuum in the countryside which prevents the enforcement of most measures sponsored by the National Government. I took the liberty of suggesting to the President that, if his government is to make any political capital of the agrarian reform, then the time has come to reexamine the entire problem in the light of the current state of affairs. More specifically, I suggested (1) that as long as the program is in being the Chiefs of the Provinces in the non-sect areas be held responsible for the implementation of the program, and (2) a national conference of the interested parties with an eye to determining whether (a) the existing program can be implemented, (b) whether it should be abandoned altogether and a land ownership and land distribution program devised in its stead.

The President did not dispute the impasse reached by his program, but he does not intend to give the land reform question a national hearing. He has confidence in his new Minister of Agrarian Reform and is evidently willing to let him try his hand at it for a while longer. The President's reluctance to review the issue with all the care it deserves may be traced also to, what appears to me, a lack on his part of a truly abiding concern with this matter. I am not prepared to say whether the President's attitude stems from the fact that he is not a "land reformer", or that the more pressing day-to-day issues bordering on the very survival of his government have primacy in his thinking and his effort to the exclusion of much else, including agrarian reform. Whatever the real reason, this much can be said with certainty: on the occasion of this talk, as during all previous talks, the land reform problems did not appear to loom large in his scheme of things.

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[3] Extract. Confidential. Omitted subjects include, besides those mentioned by Reinhardt in the covering despatch, the U.S. position vis-à-vis France and Vietnam and the question of Japanese reparations to Vietnam.

[4] Nguyen Van Thoi.

(5) As to the settlement of refugees on land, the President was informed that as of the end of May few refugees had been settled on land; by this is meant settlement in the sense that a refugee willing to farm has more than shelter and a garden patch, namely, well-demarcated holdings of their own, with farm tools and animal power to put the land to use. I pointed out to him that most of the farming by the refugees in this crop season, commencing with the rains, will have to be delayed until the crop season of 1956. The refugee problem being close to the heart of the President, he was visibly disturbed by the account and prospects. It is my impression that he had not been fully aware of these developments. I explained to him that I have not been too close to the problem and that I do not know all the reasons for the delay; I did point out that perhaps the basic one, a *firm* evaluation of the total acreage available for settlement, its location and quality has not been made, and that this is the first order of business if the program is to be successfully implemented. With that in view, I suggested to the President that he immediately appoint a small commission with instructions and powers to determine the land availability, based on the commission's first hand observations in the field. I suggested a time limit of one month, and assured him that the Mission (FOA) will be happy to render its technical assistance to this urgently needed survey. The President responded favorably. Whether he will act accordingly, or, having discussed the matter with appropriate agencies, will act in favor of another method of moving refugees on land, remains to be seen. Whatever his future course of action, he is fully cognizant that the permanent solution of the refugee problem is yet to take shape, and that further delays may postpone the solution indefinitely.

(6) As to local administration, I stated that, with few exceptions, it is ineffective and that no application of any national legislation is possible unless the administrators themselves become conscious of the fact that a free and independent Vietnam demands of them a zeal and zest of performance over and beyond the customary. I expressed the view that the real difficulty with the administrators is not their lack of formal public administration training, but rather the lassitude, disinterestness and seeming failure to sense or comprehend the criti-

cal transitional period Vietnam is passing through. I made the point that just as the National Army is in need of political training, the administrators are surely in the same need. The President countered by saying that this problem has been on his mind, that he ordered the Delegate for South Vietnam to prepare a secret report on local administration, and that the findings justified his worst fears. However, he did not believe he can deal with the problem outside of the overall issues relating to the country's pacification and stabilization. Serious though the administration question is, for the time being he intended to leave it in the hands of the three Delegates of Vietnam.

The visitor did not argue the Presidential preference, nor did he tell him of his most recent experience in one of the most important provinces of South Vietnam, where a new Chief of Province appointed by the Delegate is unmistakenly anti-Diem, anti-reform, and pretty much anti-everything that spells deviating from the current state of inaction.

I did tell the President that the standoffish attitude of the farmers vis-à-vis the Government is not unrelated to the local administration; above all, I suggested that it is closely related to the weak link between the National Government and the farmers. I elaborated on an earlier statement under somewhat similar circumstances and suggested that the President himself might devote some time to help create among the farmers a sense of freedom of participation, a sense of belonging with the Government in the business of creating a new State, basing this approach on the Government's convincing appreciation of the people's fundamental needs. I attempted to impress upon him that he more than any other Vietnamese is in a position to articulate these ideas, which in the long run should prove to be the effective weapon against the Viet Minh and for the stability of Vietnam. But now, as in the past, the President pleaded extreme pre-occupation with urgent matters.

. . . .

211. Telegram From the Secretary of State to the Department of State[1]

New York, June 17, 1955—1 p.m.

Secto 5. For Sebald and Young. During tripartite meeting today Macmillan gave US and French message he just received from Foreign Office re Vietnam elections.

It was agreed UK Embassy would discuss this matter in Washington tomorrow June 18 with our FE experts[2] (French may also wish participate) as prelude to further consideration by three Ministers San Francisco Monday morning June 20. It was considered probable that Molotov would raise Vietnam problem with three powers San Francisco.[3]

Begin verbatim text.

UK memo: Elections in Vietnam. An aide-memoire was handed to the UK High Commissioner in New Delhi on June 16 by the Indian Govt requesting the two co-chairmen of the Geneva Conference to intervene with the Vietnamese and Viet Minh authorities, in order to get consultations started about elections in Vietnam. The following is the text of the operative paragraphs:

> "Having regard to the relations between the parties and the circumstances prevailing in Vietnam, it appears to the Government of India that consultations may not take place without some initiative being taken by the two co-chairmen. The Govt of India therefore feel that the co-chairmen should request the authorities in charge of the Democratic Republic of Vietnam and the State of Vietnam to start consultations. To facilitate such consultations they may further offer the parties the services of the three delegates on the International Supervisory Commission in Vietnam. The delegates will not act as members of the Commission but as individuals representing their respective govts and their task will be to assist the parties (a) to convene a conference of competent representative authorities of the two sides for interzonal consultations and to assist in the preparation and the approval of the agenda, and (b) to elect a chairman either from among themselves or from outside to preside over the deliberations of the Consultative Conference.
>
> "The delegates from the Supervisory Commission will withdraw from the conference after the agenda has been settled and a chairman has been chosen to preside over the deliberations.
>
> "The chairman agreed upon by the parties will act both as conciliator and as technical expert on the essentials of a free general

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[1] Source: Department of State, Central Files, 751G.00/6–1755. Secret; Niact. Dulles was in New York for informal meetings with the British and French Foreign Ministers and West German Chancellor Adenauer in preparation for the upcoming summit meeting at Geneva, July 18–23.

[2] A memorandum of this discussion is *infra*.

[3] At the ceremonies marking the tenth anniversary of the founding of the United Nations.

election by secret ballot and will assist the parties to come to agreed conclusions as regards the principles and procedure which would ensure free and fair general elections by secret ballot. Agreed modalities of the elections can thereafter be worked out and adopted by the authorities in each of the two zones as the law in force for the time being to regulate the elections. Thereafter the electoral commission envisaged in paragraph 7 of the Geneva Declaration will be set up to supervise the elections in accordance with the agreed principles and procedure."

The aide-mémoire concludes with a request to the co-chairmen to put these proposals to the Vietnamese and Viet Minh authorities, and states that Canadian and Polish Govts have been informed with an expression of the Indians' hope that they will agree to this procedure. An identical aide-mémoire has been handed to the Russian Chargé d'Affaires.

End verbatim UK text.

Dulles

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212. Memorandum of a Conversation, Department of State, Washington, June 18, 1955[1]

SUBJECT

Tripartite Meeting on Indian Aide-Mémoire on Vietnamese Elections

PARTICIPANTS

Sir Robert Scott, British Embassy
Mr. M.G.L. Joy, British Embassy
M. Pierre Millet, French Embassy
M. Pierre Pelletier, French Embassy
Mr. William J. Sebald, FE
Mr. Kenneth T. Young, Jr., PSA
Mr. William R. Tyler, WE
Miss Patricia M. Byrne, PSA, Rapporteur

Sir Robert Scott summarized the British position as follows: His Government had always believed strongly that Diem should take some positive action with respect to the consultations on elections to be held in July 1956. Recently the United States had been opposed to pressing Diem, since he seemed not in the mood to move. This situation had been overtaken by the Indian aide-mémoire, which must be answered by the British whether or not Molotov raised it in San Francisco.

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[1] Source: Department of State, Central Files, 396.1–GE/6–1855. Secret. Drafted by Byrne.

Scott read Foreign Office comments on the Indian proposal: The Indian idea had the same disadvantage as the original French proposal, namely, the initiative was to be taken by the co-Chairmen. Britain did not want to get involved in joint action with the USSR, and did not wish to do anything which the United States would find unpalatable. Neither did they wish to suggest action by the supervisory powers, since Diem continued to regard the ICC with suspicion. The Indian aide-mémoire could not, however, be rejected without some alternative. Consequently, the British would like to reply that they were already making representations to Diem not inconsistent with the Indian aide-mémoire. The gist of these representations was contained in a paper given the Department by Joy of the British Embassy on June 13 (Annex 1). If the United States did not go along with the British proposal, the United Kingdom was inclined to favor unilateral representations to Diem on their part, rather than accede to the Indian plan. Joy added that the Canadians were in possession of the Indian aide-mémoire and opposed its contents.

M. Millet declared his Government agreed with the British proposal and had no reason to believe that Diem would be opposed. Roux of the Quai d'Orsay in a telephone conversation this morning had informed Millet that Chau, Diem's special envoy to Paris, had seemed receptive and was on his way back to Saigon to determine Diem's attitude toward the British proposition. M. Millet also stressed the French feeling that time was of the essence.

Mr. Sebald stated that the United States considered the Indian proposal too elaborate and undoubtedly unacceptable to Diem. The American position was generally that Diem should be encouraged to make a public declaration favoring genuinely free elections. We should not, however, press him to enter formal consultations against his will, but should at the same time point out the dangers inherent in a negative attitude toward them.

The United States understood that the Indians must be presented with an alternative, and therefore was in principle in favor of acting on the British suggestion. The United States was in complete agreement with the idea of Diem's seizing the initiative, but considered his making specific proposals on the "time, place, and level of representation" could very well become a trap.

Mr. Young stated that the use of the words "time, place, and level of representation" seemed to imply direct bipartite discussions probably in the demilitarized zone from the first stage of consultations onward. It was quite likely that such consultations would lead to another Panmunjom,[2] an eventuality which should be avoided. He suggested that, since the mechanics of consultations were not spelled out, it might be better for Diem and his allies if consultations were informal, indirect, and not public. Such an arrangement would not violate the spirit of the Geneva Agreements, inasmuch as consultations would in effect take place. Scott commented that this seemed not inconsistent with their proposal, which was in essence only that Diem should take some sort of initiative. Mr. Young also emphasized the need to assure the Vietnamese of Western support, since the Vietnamese looked on the elections with real apprehension.

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[2] Reference is to the military armistice talks among the North Koreans, Chinese, and U.N. Command, which had begun in 1951 and were still ongoing.

Mr. Sebald also put forward the idea of exploring the British statement, in their proposed démarche to Diem, of their willingness to serve as the relay point for communications from Viet-Nam to the USSR to the Viet Minh. It might be possible first to develop an atmosphere of consultation, actually getting the parties together later. This was simply a method worth investigating, and not a fixed U.S. position. The British representatives gave their opinion that such a plan might work in the beginning, but not as a standing arrangement, since the distinction between the British acting as a *Government*, that is, an interested bystander, rather than as co-Chairman was a difficult one.

In response to an inquiry as to Indian views on elections in general, Mr. Young said that Krishna Menon desired an exact implementation of the Geneva Accords, and believed elections should be held regardless of the outcome.

It was the sense of the meeting that 1) the Indian proposal was unacceptable; 2) some reply must be made to New Delhi; 3) this reply should be that the British had already taken steps to urge Diem to begin consultations; 4) the words "time, place, and level of representation" might be going too far and therefore should be omitted from the suggested British démarche. (This was the opinion particularly of the United States representatives, but seemed to have the tacit agreement of the other participants.)

It was agreed that the results of the meeting should be communicated separately to the three Foreign Ministers, since instructions to the three parties from New York were not identical.

No action was taken on M. Millet's reiterated suggestion that a tripartite working group on Vietnamese elections be reactivated in Paris or London, in view of the fact that the San Francisco discussions might make such a working group unnecessary. Mr. Sebald declared that the United States was basically opposed to tripartite talks which would appear as a Western "ganging-up" on the Vietnamese, but would go along with ad hoc discussions which would not aim to decide the destinies of smaller powers.

The meeting left vague the question of what the three States should say to Molotov at San Francisco. It is assumed that, should he raise the matter, replies would be made along the lines of the four agreed points outlined above.[3]

Annex 1

Washington, June 10, 1955.

GIST OF PROPOSED DÉMARCHE BY H.M. AMBASSADOR AT SAIGON, AS ONE OF THE TWO CO-CHAIRMEN OF THE GENEVA CONFERENCE

"Quite apart from the question on the line which might be taken during the preliminary electoral discussions scheduled to begin on July 20, it would be very much to the benefit of the international position of the Government of South Vietnam for Diem to take up a positive and forthcoming attitude towards the holding of these talks. In our view he would be well-advised to make specific proposals as to time and place and level of representation and to give full publicity to the fact that he has taken this initiative. In the matter of publicity Her Majesty's Government and other friendly Governments would naturally be happy to assist. It is hoped that Diem will be able at a very early date to prepare such specific concrete proposals which could then, if he wished, be passed to Her Majesty's Government, who would be happy to convey them to the Soviet Government (as the other co-Chairman of the Geneva Conference) for onward transmission to the Vietminh authorities."

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[3] Sebald reported the results of this tripartite meeting to Dulles in a memorandum to the Secretary, June 18. (Department of State, Central Files, 751G.00/6–1855)

213. Telegram From the Secretary of State to the Department of State[1]

San Francisco, June 20, 1955—3 p.m.

Secto 3. At tripartite meeting[2] this morning Macmillan gave representation of problem raised by receipt of Indian aide-mémoire on question Vietnam election. He felt would be mistake handle this matter through joint efforts of co-chairmen and also would be undesirable involve ICC as proposed. He commented Canadians would certainly oppose any such involvement.

On other hand Macmillan felt was essential for UK reply Indian proposal which though unacceptable should be provided with alternative. UK therefore proposed instructing HBM Ambassador Saigon make démarche along lines gist previously furnished Department and forwarded Saigon. He referred to June 18 discussions Washington working group[3] which had agreed UK proposal omitting words "time and place and level of representation". If this agreeable would send necessary instructions at once at same time informing Indians along these lines and saying in opinion UK nothing further to be done at this time.

Secretary mentioned reported effort Diem connect FEC and High Command problem Vietnam with elections saying in effect until Vietnamese have completed these arrangements and are masters their own house they cannot go forward with elections. Pinay said that Chau had been sent Paris and saw him on day his arrival. Chau had pressed for military convention to settle FEC problem. This seemed all he wanted and had not been linked with question of elections.

It was agreed this problem would not be raised in tonight's quadripartite meeting with Molotov but should latter bring up question would tell him of reply given to Indians and felt nothing further to be done at this time. In any event UK would immediately instruct HBM Ambassador Saigon make démarche along lines indicated above.

Dulles

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[1] Source: Department of State, Central Files, 751G.00/6–2055. Secret; Priority. Repeated for information to Saigon, Paris, and London.

[2] The Foreign Ministers of France, the United Kingdom, the Soviet Union, and the United States attended the tenth anniversary ceremonies of the founding of the United Nations. They held a series of meetings among themselves—bilateral, tripartite, and quadripartite.

[3] See *supra*.

214. Telegram From the Acting Secretary of State to the Embassy in Vietnam[1]

Washington, June 23, 1955—6:54 p.m.

5597. Secto 3 from San Francisco repeated Saigon Paris London as Secto 1.[2]

1. Following are your instructions regarding British démarche to Diem:

a. Although U.S. agreed British proposal with omission words "time place level representation", actual démarche to be made by British only.[3]

b. Should Diem inquire our position on démarche, tell him we continue fully support Vietnamese Government in favoring genuinely free elections with adequate safeguards. We believe it beneficial for Government make public pronouncement these lines. Nevertheless we have never wished push Vietnamese participate formal consultations beginning July 20 against their inclinations, but at same time have felt it necessary point out disadvantages negative attitude toward consultations which might be interpreted as rejection Geneva Accords. Pressures from all sides have been increasing rapidly recent weeks almost to point where failure Vietnamese begin consultations would forfeit large measure support of states interested primarily in implementation Geneva Agreements. We considered British proposal as generally in line our view Vietnamese should take stand on genuinely free elections and as method satisfying international pressures while giving Vietnamese time work out own position on methods consultation. We had therefore concurred.

2. British Embassy says messages received here indicate Stephenson instructions confined British démarche per se, with no mention informing Diem of Indian aide-mémoire. Although unaware Foreign Office thinking, British here believe that, though Diem undoubtedly will eventually learn of Indian proposal, the later he finds out the better, since it bound exacerbate his attitude toward ICC, particularly Indians.

While recognizing truth last phrase, we concerned effect British and our relations with Vietnamese if Diem learns of Indian aide-mémoire from other sources, especially since USSR, Poles, Canadians, French, and probably Viet Minh now also informed. We agree with British that, since they recipients Indian note, they are only logical informants, if decision taken apprise Diem.

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[1] Source: Department of State, Central Files, 751G.00/6–2055. Secret; Priority. Drafted by Byrne and cleared by Young and Robertson. Repeated to Paris, London, New Delhi, and Ottawa by pouch.

[2] *Supra.*

[3] A report on the démarche is in telegram 5947 from Saigon, June 23. (Department of State, Central Files, 751G.00/6–2355)

Request Saigon's comments whether: 1) You should discuss with Stephenson problem informing Diem of Indian note; and 2) Whether Embassy London should approach Foreign Office same lines.

If you discover Diem already aware Indian proposal, this could of course be cited as factor in our decision agree to British démarche.

3. Following is that portion U.S. position Vietnamese elections which Sebald read British French representatives June 18 meeting:

> "Free Vietnamese must have complete and steady backing in whole process electoral consultations to assure them they will be fully supported in taking stand for genuinely free elections.
>
> We should continue urge Free Vietnamese make public declaration in favor genuinely free elections with all adequate safeguards. We should not try compel Vietnamese participate formal consultations beginning July 20, 1955, while pointing out difficulties and risks of completely negative attitude toward whole problem consultations and elections.
>
> Formal direct confrontation delegations North Viet-Nam and South Viet-Nam in Panmunjom style may not be necessary or desirable at least in initial stages. Conference with formal agenda, chairman, regularized deliberations also might not be suitable for discussions in first instance between two such bitter adversaries."

Saigon's comments requested.[4]

Hoover

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[4] Those comments, in telegram 5981 from Saigon, June 25, read as follows:

"1. We fully concur Department's reasoning Section 2, reference telegram. We estimate danger Diem learning of Indian note indirectly might lead to unnecessary suspicions and would present greater problem than his possible irritation with Indians. We believe matter should be discussed with British here and London.

"2. We also agree with US position set forth Section 3, reference telegram. At present moment it seems unlikely Diem could be persuaded to go any further by July 20 than consultation by means of written communication through co-president. To attempt push him further is to us unrealistic." (*Ibid.*, 751G.00/6–2555)

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215. Memorandum From the Director of the Office of Philippine and Southeast Asian Affairs (Young) to the Acting Secretary of State[1]

Washington, June 24, 1955.

SUBJECT

Revision in Force Levels and Costs for Vietnamese Military Forces

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[1] Source: Department of State, OCB Files: Lot 61 D 385, Indochina, General. Secret. Sent through Robertson and cleared with Murphy and U/OP.

The purpose of this memorandum is to bring to your attention a problem assuming importance from the political, military and economic point of view. In preparing the Vietnamese program for fiscal 1956 we sent out a joint State–Defense–FOA message to Saigon[2] requesting information on force levels and costs. The reply[3] gave a split opinion.

MAAG Saigon recommends the force level of 170,000 until July 1, 1956 with a reduction thereafter to 150,000 by December 31, 1956 with conscription starting January 1, 1957. The Embassy and the FOA Mission both recommend a reduction to 100,000 by the end of 1955 and the beginning of conscription early in 1956. The latter recommendation is much closer to the Collins figures approved by Washington last February.

The MAAG recommendations would entail a total cost in calender 1956 of $336 million compared to our present estimate of $180 million. Since the Vietnamese Government probably would not be able to assume any part of this additional cost, the field estimates the United States would have to assume the total addition of $156 million.

A message from the field states that the costs for the military program in calender 1956 will depend on Washington decisions regarding force levels.

The special working group on Indochina has met twice on this telegram.[4] We have discussed the political, military and economic implications at length without coming to any decision. We have instructed a subcommittee to prepare a telegram to the field asking for more information. Accordingly, in a week or two this matter may have to be raised at a higher level in order to determine whether we should continue with the Collins program of a drastic reduction and a large-scale demobilization or whether we should phase down the Vietnamese forces much more slowly. At the present time I recommend a slower reduction even though it will cost us more money.

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[2] Telegram 5235 to Saigon, May 25; see footnote 2, Document 208.

[3] Document 208.

[4] Reports of these OCB meetings are in memoranda of discussions by Kenneth P. Landon of the OCB, June 15 and 23. (Department of State, OCB Files: Lot 62 D 430, Southeast Asia)

216. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, June 24, 1955—midnight.

5974. Reference: Paris 5256 to Department, repeated Saigon 751.[2]

1. General Guillaume has just completed four day inspection French military establishment Vietnam. Before his departure today for Singapore, he lunched with me alone and discussed at length the French military problem in area.

2. He said purpose his visit was to obtain information on which to base military recommendation to French Govt. He reviewed situation in France where one school of thought called for immediate and complete evacuation of French military from Indochina and other favored retention of at least sufficient numbers to protect French colony Saigon, preserve remnants of French face, and make modest contribution to defense against Communism in area. He said former school was now strengthened by serious requirements in North Africa which obviously took first priority French thinking. Apart from military recommendation, probably most important factor which would affect eventual govt decision was financial one. He feared that, in new situation created by termination German occupation support costs and ever-increasing burden of North African problem, it might be extremely difficult, if not impossible, to obtain budgetary support for continued French military presence Indochina on any appreciable scale.

3. In reply to his inquiry, I told him that, in my personal view, presence of French military forces here was for several reasons apart from purely French ones desirable for immediate future. These were the requirements for their assistance in training VN National Army, Navy and Air Force; need to avoid sudden creation of vacuum pending build-up of Vietnamese forces; and importance, from an overall strategic point of view, of retaining operative naval and air bases in area, a responsibility which VN could not possibly take over for some time. Finally, I said it seemed to me that it also would be quite awhile before Vietnamese army would be capable of assuming full responsibility for its own administrative and logistic support. I

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[1] Source: Department of State, Central Files, 751G.551/6–2455. Secret. Repeated for information to Paris and Phnom Penh and passed to the Department of Defense and CINCPAC.

[2] In this telegram, May 31, Dillon informed the Department that General Guillaume was planning an information-gathering trip to the Far East and would be in Saigon, June 19–24. The purpose of the Saigon visit, according to Guillaume, was to decide how rapidly repatriation of the FEC from Vietnam could proceed. (*Ibid.*, 751.551/5–3155)

added, however, that I considered basic condition to the success of the foregoing were bilateral Franco-Vietnamese arrangements which defined status and mission of French forces in mutually acceptable manner which no way impaired sovereign independence of Vietnam. Guillaume took no exception to this but seemed to doubt whether sufficient budgetary support would be forthcoming to finance initial force of about 50,000 which would be required for this mission.

4. He insisted more than once that there were two fundamental elements of French policy which could be accepted as absolute, namely:

a. France would under no circumstances, permit herself to become engaged again in ground combat in Indochina; and

b. Whatever military policy was decided for this area, it must be one that did not involve a large measure of risk.

5. Guillaume divided French military picture in VN into three parts:

(1) Tourane area and 17th parallel. He said large munitions depot at Tourane posed a problem for French, but they were determined to pass it to Vietnamese and equally determined that they would not keep more than symbolic forces, say a maximum of 5,000 in area of Tourane and 17th parallel. He asserted that local political situation there was troubled and difficult for them, and they were determined, as a matter of policy, to avoid any involvement in internal politics.

(2) Saigon area. He realized that, for political reasons, Vietnamese would prefer French to withdraw from Saigon area. He thought that, as far as mission of protecting European colony Saigon was concerned, this might be accomplished by basing certain units at reasonable distance from city, such as in area of Bien Hoa Air Base. More difficult problem was posed on navy side. French naval base was only large and important French repair installation in Far East and was capable of handling vessels up to cruiser size. If this base were to be retained, it would require some territorial defense, and that involved stationing of some French forces in city. French navy was understandably reluctant to abandon this base which they would feel compelled to do in the absence of provision for its preservation.

(3) Cap St. Jacques. He did not know whether concept of well fortified naval and air base at Cap St. Jacques would be acceptable to Vietnamese. From French point of view, it had obvious advantages. The materially improved and enlarged air strip was virtually complete, and the utilization of Cap St. Jacques as the major French military base for all three services in Vietnam would involve little additional financial burden on French Govt. French navy was still hankering after Cam Ranh Bay, but apart from questionable strategic value, expense of developing facilities and area defense there would be prohibitive.

6. Although it was apparent that Guillaume had reached no firm conclusion, I was left with impression that, for the moment at least,

he was inclining toward recommending retention of French military establishment here for the next eighteen months of about 50,000 men but was not at all sure that this would be approved by French Govt. In this connection, he stated that level of French forces was now down to 55,000 and that there was leeway of only 5,000 before decision would have to be reached if reduction were to be stopped at 50,000 level. As a limiting factor on timing of a possible total evacuation of French forces, Guillaume mentioned that his colleagues estimated a minimum of six months would be required to deal with and distribute mass of military material in their possession.

7. Guillaume expressed earnest conviction that only unified and cooperative US-UK-French approach to problem of VN would have chance of saving area. He recognized, however, that British were not prepared to give any material support. Recently in London, British COS had stated to him quite clearly that Singapore and Malayan Peninsula were their maximum commitment in SEA.

Reinhardt

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217. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, June 29, 1955—9 p.m.

6040. 1. Foreign Minister Vu Van Mau informed me this morning that Cabinet had decided on its position with respect to Geneva type elections and consultations called for in Geneva Agreement. It had been decided that Prime Minister would make public declaration containing following elements:

a. Government stood for unification of Vietnam.
b. This to be achieved by democratic process of elections.
c. Elections must be free and protected by all necessary safeguards.
d. This position was not of Geneva Agreement which Government did not recognize but was an expression of Government's earnest desire for unification of country through democratic process.

2. Cabinet was considering a possible supplemental point to effect that Government of State of Vietnam was sole legal Government in country and was preparing election to National Assembly which, when convened, would welcome proposals from all Vietnam-

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[1] Source: Department of State, Central Files, 751G.00/6–2955. Secret. Repeated for information to Paris, London, Ottawa, New Delhi, Phnom Penh, and Vientiane.

ese political parties designed to effect, in democratic fashion, the unification of the country. I think I convinced Mau that this variant might best be saved for possible later use.

3. As to timing of Prime Minister's declaration, Mau said former had intended to make it some time after July 20. He agreed with my comment that an earlier date would have many advantages and said he thought it might be possible to convince Prime Minister to take the step within a week or 10 days.

4. Foreign Minister said he expected to reply to British démarche within a day or two conveying information regarding proposed public declaration on elections and politely refusing British offer to serve as postman for communication to Viet Minh. He confirmed that Cabinet decision precluded Government taking any initiative with respect to consultations, adding that if other side wished to use Moscow–London circuit, that was their business, but that his Government wished to avoid implications which would flow from accepting good offices of co-chairman Geneva conference. Furthermore, it was impossible, for internal political reasons, for Government to take any initiative with respect consultations. (Request substance this paragraph not be conveyed to British since VN position may change before their note is drafted and delivered.)

5. Foreign Minister then handed me brief biography Sarah Wambaugh, saying it would be extremely useful if such a specialist in international elections could be attached to Embassy to back-stop Foreign Office. He added that personality suggested was simply chosen as an example of the kind of expert required. He agreed that, if a suitable expert of other than American nationality could be found, it would be preferable. I assured Foreign Minister I would pass his request to Department and told him of Kattenburg's arrival and that for next few weeks his services would be available.

6. From foregoing, I conclude that present intention Diem Government is to make policy declaration along lines indicated, take no further step with respect to consultations and await developments. Renewed request for services of expert would seem, however, very clear indication that they do not preclude an eventual involvement in some kind of negotiations with Viet Minh on subject of elections whether by conference or remote control.

Reinhardt

218. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, June 30, 1955—5:19 p.m.

5681. Joint State–FOA–Defense message.

1. Your 5769[2] studied and considered in OCB Special Working Group on Indochina.[3]

2. Joint 5532[4] increased program funds CY '55 by $11.4 million to $234.8 million. Latter figure short $15.4 million from amount requested reference telegram.

3. Even if there were firm program submitted by Vietnamese Government, would be extremely difficult at this time obligate up to $250.2 million for Vietnamese armed forces CY '55 since obligation of additional $11.4 million exhausts currently available funds. If developments warrant in last half CY '55 additional funds might be secured by some means but would require more justification than we are able present on basis currently available information. However urge real attempt keep expenditures within presently obligated $234.8 million since expenditure FY '56 funds in CY '55 would only accentuate CY '56 problems. In view fact presently obligated figure would allow Vietnamese obligations at rate $30 million per month during last seven months compared $21 million during first five months, appears Vietnamese might not require aid in excess $234.8 million. Comment.

4. Disturbed over estimated cost CY '56 program reftel especially as funds requested Congress based figures much lower than estimated requirement $336 million. Regardless particular figures forces and costs finally accepted, Vietnamese must begin face up to problems reducing total costs armed forces, increasing own contribution, and reducing U.S. contribution thereto. Under calculations reftel, costs U.S. in CY '56 would be above those CY '55, representing no progress in two years towards our long term goal reducing costs.

5. Several basic questions arise connection Washington consideration your 5769.

a. What political, economic, and military pros and cons maintaining forces CY '56 at 150,000, plus 40,000 garde civile, comparison Collins' recommendation 100,000 and no additional forces?

b. What are probable Vietnamese plans and desires regarding forces?

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[1] Source: Department of State, Central Files, 751G.00/6–1155. Secret. Drafted by C. Hoyt Price of PSA and cleared in draft with S/MSA, FE, Defense, and FOA.

[2] Document 208.

[3] See footnote 4, Document 215.

[4] This joint FOA–State telegram to Saigon, June 18, is not printed. (Department of State, Central Files, 751G.5–MSP/6–1855)

c. What are possibilities reducing average cost per soldier in addition to conscription?

d. Why must conscription be delayed 15 months?

e. Why cannot demobilization be pressed harder?

f. Even if decision were favorable maintain forces above 100,000 might not further cost studies and increased control Vietnamese military budget lead to reduction over-all cost?

g. Are additional cost and budget control personnel needed Saigon?

6. Recognize paragraph 6 and 7 reftel are initial estimate. Further refinement and reduction over-all cost will be necessary so that U.S. can meet strength needs Vietnamese armed forces, and cost still can be kept within limits which will be set by foreign aid appropriation. Immediate future should be devoted to setting up mechanisms whereby U.S. control over-all costs would be more effective, especially with view over-all reduction costs. Advise what steps you have taken this direction, what cost studies you have made, and what additional these lines needed.

7. In future further study will also be needed work out most effective mechanisms making U.S. aid available with maximum flexibility. However U.S. considers it inadvisable continue indefinitely in position supporting inflated import surplus and abnormally high standard living Vietnam as part of support military effort. Reduction over-all costs military would serve double purpose reducing level U.S. aid and reducing artificial import surplus. Vietnam must look forward to day when cost civilian imports supported by receipts civilian exports rather than military in payments. Faster progress this direction must be made than that implied reftel.

8. Advise how cost estimates including force levels were calculated and whether reftel based Vietnamese data or U.S. analysis thereof.

9. Since consideration points raised your 5769 will require further detailed studies, Washington agencies interested Saigon country team considered replies via pouch preceded by cabled summary[5] if you so desire.

Dulles

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[5] See Document 227.

219. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, July 1, 1955—7:06 p.m.

8. Saigon 6041 repeated Paris 1507.[2] We believe potential danger to Free Viet-Nam, if deposition Bao Dai be accomplished by other than legislative forum, is so great that you should talk further with Diem personally to attempt to prevent his provoking an incident which might give us all great trouble.

It seems to us, one of Diem's greatest assets is the potential support of an assembly. Actions taken by such a body would have to be accepted as an expression of national sentiment and not as easily attacked actions of a clique.

Specifically in matter of Bao Dai, if Diem's cabinet simply votes deposition and attempts to carry it out they will be in no more sound a legal status than Revolutionary Committee, which has already so voted. Opportunity for competitive rump committees to vote the removal of Diem or adopt resolutions favoring Viet Minh or sects will be greatly enhanced. Balance would then rest on comparative military strength rather than on present legality of Government.

United States would have grave difficulty in making effective its aid and support under those circumstances.

While we understand the revolutionary sentiment which impels Diem to consider this act, we believe a careful and legally defensible procedure much preferable to course he is considering.

If there are acts by Bao Dai or others which appear to make former's deposition a matter of urgency to avoid serious threat to Free Viet-Nam, we have not been informed by Diem of such.

Request you inform Diem substance above.[3]

Dulles

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[1] Source: Department of State, Central Files, 751G.00/6–2955. Secret. Drafted by Hoey and cleared by Young and Robertson. Repeated for information to Paris; pouched to Phnom Penh and Vientiane.

[2] This telegram, June 29, reads as follows:

"FonMin Vu Van Mau told me June 29 in strictest confidence that Cabinet was considering decision to hold referendum with view to deposing Bao Dai. Decision, although not yet reached, might be forthcoming soon. I endeavored to explain to Mau advantages both internally and externally to Vietnam if this important constitutional matter were dealt with by an elected assembly, rather than precipitately before govt had completed census, let alone carried out elections." (*Ibid.*)

[3] See Document 221.

220. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, July 5, 1955—9 p.m.

44. 1. Foreign Minister Vu Van Mau showed me this afternoon July 5 draft of declaration Prime Minister Diem intends to make at noon tomorrow over radio. Draft consisted of two pages of which four-fifths was exposition reasons why Vietnam was not bound by Geneva Accords. Remaining fifth was well-buried statement that government believed in unification and democratic institution of elections provided they were absolutely free. I took position this was very negative document, that it was much less satisfactory than outline he had given me last week (Saigon 6040 to Department repeated Paris 1506, London 55, Ottawa 11, New Delhi 41, Phnom Penh, Vientiane unnumbered[2]) and would make poor impression abroad. I explained at some length why such a declaration should have an affirmative character and suggested it would be well to add a statement of government's intention hold elections for a representative assembly in South in near future. Mau said he would convey my suggestions to Diem.

2. When I saw Diem this evening, I repeated to him argument I had made to Mau. Diem, after giving me the standard line about importance of not injuring Vietnamese public opinion by in any way seeming to accept Geneva Accords, ended by saying that Mau had transmitted to him my suggestions, and he found them interesting.

Only tomorrow will tell to what extent, if any, this exercise has succeeded in modifying the proposed statement.[3]

3. During course of day, Mau had similarly called in British Ambassador, Australian Minister and French Political Counselor. Stephenson was very upset by document but particularly because it contained nothing on subject of consultations. He is seeing Diem tonight to convey his government's strong view that Diem must take positive position toward this matter, as well as on general subject of Geneva elections. Australian received information without comment, but French representative's reaction was similar to mine. He stressed

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[1] Source: Department of State, Central Files, 751G.00/7–555. Secret; Priority. Repeated for information to Paris, London, Ottawa, New Delhi, Phnom Penh, and Vientiane.

[2] Document 217.

[3] On the morning of July 6, Reinhardt saw Vu Van Mau and suggested the following revisions in Diem's statement, scheduled for release noon that day: removal of detailed criticism of the Geneva Accords, an announcement of national elections in the South, and sequence and wording changes to highlight the positive. Reinhardt also suggested that Diem postpone making the statement. (Telegram 56 from Saigon, July 6, Department of State, Central Files, 751G.00/7–655) Diem agreed to the postponement. (Telegram 65 from Saigon, July 6, *ibid.*)

to Mau importance of government not tying its hands and becoming frozen on a position which it could not subsequently abandon without loss of face. He is recommending that General Jacquot see Diem tonight and stress this aspect.

4. In reply Australian query, Mau said Diem has not yet made up mind about consultations and inter-zonal elections.

Reinhardt

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221. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, July 5, 1955—11 p.m.

47. 1. When I saw Diem this evening, July 5, I propounded substance Department telegram 8 repeated information Paris 18.[2] Prime Minister said there was no question of Government acting by decree on subject of Bao Dai, but that there was a great deal of pressure in political circles for him to take some action. A popular plebiscite or referendum seemed the best way to meet this requirement (Saigon 6041 to Department repeated Paris 1507 Phnom Penh unnumbered, Vientiane unnumbered[3]). He did evidence fear of intrigue by Bao Dai and elements associated with him and said that until this question was resolved it would be impossible to develop healthful political climate. In addition to considerations contained in reference telegram, I also developed thesis that there was great political advantage to him to be derived from true political campaign through country which would necessarily precede elections for representative assembly.

2. I am not entirely convinced by Diem's reply to my presentation which consisted simply in his assertion that he was not really in a hurry but that others were pushing him very hard.

Reinhardt

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[1] Source: Department of State, Central Files, 751G.00/7–555. Secret. Repeated to aris, Phnom Penh, and Vientiane.

[2] Document 219.

[3] See foonote 2, *ibid.*

222. Memorandum From the Director of the Office of Philippine and Southeast Asian Affairs (Young) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)[1]

Washington, July 5, 1955.

SUBJECT

General Problems in Vietnam and Southeast Asia.

I wish that I could have a full three quarters of an hour with you some time this week to go over a number of troublesome emerging problems in Southeast Asia. It would also be helpful for me if we could take a broad look at the area in terms of what we have been trying to do during the past year, where we stand today, and where we are going. I have asked each of the Officers in Charge in PSA to analyze their countries in this way.

In particular, Vietnam is entering another "crisis" period. The question of Vietnamese elections is beginning to boil over. The Viet Minh is threatening retaliation. Diem is defiant, and with much reason. There is a better than even chance that it will come to a head during the summit meetings, and may even be brought to Geneva. The overlap between the Geneva meetings before and after July 20 and the significance of that date in the Geneva Accords practically begs the issue. Even Communist publicity is now adding the party line that there must be strict adherence to the Geneva Accords in Viet-Nam. If the Vietnamese Government has not responded in any way to some form of consultations beginning on or after July 20, I think you should be prepared for a serious diplomatic problem.

The most difficult possibility would be a Soviet motion at the summit or elsewhere to reconvene the Geneva powers to arrange for Vietnamese elections and bring the two parties together. Such a conference might also be asked to take up US military assistance to Cambodia and the problem of the two northern provinces in Laos. Thus, there are three major issues. If the Russians press for some action on the Vietnamese elections question, it may be difficult for the French and the British to resist. The visit of Ho Chi Minh to Peking and Moscow is certainly timed to this issue.

Meanwhile there is nothing but drift, indecision and confusion on our side. The Vietnamese are completely negative and may create an impasse. The British are worried and want something done. The Viet Minh and the Vietnamese will not talk to each other. It is a messy situation. I would suggest that we reconsider four-power consultations in Saigon with Diem as soon as the French have an Ambassador there. I do not believe this has to be at the ministerial level. I think we should consider immediately proposing to Reinhardt that he make this suggestion to his colleagues and to Diem. In any event, I think we have to continue bolstering Diem's position to offset the world press that Ho is getting from his trip. Consultations in Saigon would help do this.

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[1] Source: Department of State, Central Files, 751G.00/7-555. Secret.

In general, we are conducting a tremendous amount of activity throughout Southeast Asia. Most of it has some good immediate effects. But I am more and more uncertain of the outcome in the long run. There are disturbing trends in every one of the eight areas in Southeast Asia.

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223. Telegram From the Ambassador in France (Dillon) to the Department of State[1]

Paris, July 6, 1955—8 p.m.

69. Both Foreign Office and British Embassy have continued in last few days to express increasing concern at Diem's attitude on making public declaration on elections before July 20. Both had report of first text proposed by Mau for delivery noon July 6 and found it unsatisfactory. They deplored negative approach and absence any reference to pre-July 20 consultations. They expressed opinion that if this text were made public it could only be interpreted by Vietnamese and rest of world as evidence government's intention not carry out Geneva provisions and that this would have regrettable consequences for all of us.

We have informed both Foreign Office and British of efforts being made by Reinhardt to have text improved. Foreign Office reports that they have been instructing Jacquot to use maximum influence on Diem to make public declaration on consultations and hope this will contribute to desired result but state that they recognize fact that Reinhardt and British Ambassador Saigon undoubtedly wield more influence on Diem than they.

British Embassy confirmed again this morning that their position on elections remains that all signatories Geneva have equal responsibility to see that provisions are carried out. They agree with French position that France is only one of signatory powers and therefore has no more responsibility than others in seeing that Viet Minh and

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[1] Source: Department of State, Central Files, 751G.00/7–655. Secret. Repeated for information to Saigon, Ottawa, New Delhi, London, Phnom Penh, and Vientiane.

Vietnamese get together. They sympathize with French position that France is not to be considered as representative authority for South Vietnam for purposes of effecting pre-elections discussions. They share French concern that failure to make move toward consultations on or before July 20 may result in terrorist activities and even renewal of hostilities. Finally, they agree with French Foreign Office that if Vietnamese Government does not make satisfactory public declaration of intent or other move toward consultations before July 20 Viet Minh may be expected to file charge with ICC and/or Geneva powers accusing French of violating Geneva Agreement. Obvious French answer to this is that Vietnam is now independent country over which France has no control, which it can therefore not oblige to take action against its will and that, therefore, responsibility lies equally with all Geneva signatory powers.

Dillon

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224. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, July 6, 1955—6:45 p.m.

49. 1. You have seen joint tel 5681[2] replying your 5769.[3] Hope obligation $234.8 million will satisfy needs Vietnamese military CY '55.

2. Estimated CY '56 costs your 5769 are considerably above amounts Washington agencies have been considering based on previous country team submissions. Do you believe appropriate now begin discussions Vietnamese concerning CY '56 military program or have such discussions already begun? If such discussions should begin you may do so on basis consideration our 5681 provided other members country team agree. Note Chau stated Vietnam counting US aid to support 200,000 man army. Paris Embtel 5777 rptd info Saigon 792.[4] Also MAAG Saigon monthly report May states new army figure 142,000 exclusive sect forces to be integrated discussed with FAVN.

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[1] Source: Department of State, Central Files, 751G.00/6–1155. Secret. Drafted by Price and cleared in draft by PSA, S/MSA, and FE.

[2] Document 218.

[3] Document 208.

[4] In addition to support for the 200,000-man army, Chau envisioned, in the event of an attack from the North, U.S. military support in the form of air and naval power if French forces withdrew from South Vietnam. (Department of State, Central Files, 751G.00/6–2955)

3. Your 5769 requested Washington decision force levels CY '56. Such decision not likely near future and can not be made without further data from country team Saigon (Deptel 5681). Aid request to Congress made basis 100,000 man force. Would be difficult if not impossible to secure additional $150 million for Vietnamese CY '56. On other hand Department does not believe under present circumstances aid figure should set exact force levels or that exact force levels should be set primarily by consideration fear inflation or economic dislocations. Recall Barrows stated to OCB Working Group that if procedures could be set up so CY '55 program could be carried out without inflation then could handle aid program for '56 of magnitude support forces costing any figure within range being considered country team Saigon, i.e., $180 to $336 million.

4. Department hopes adequate Vietnamese force levels can be maintained at cost US within limits which will be set by foreign aid appropriation. Possible solution is reduction cost per man which is very high and further refinement of minimum necessary force levels. Will be interested in Embassy and country team report this problem.

Dulles

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225. Draft Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, July 6, 1955.

Deliver following letter to President Diem from Secretary:

"Dear Mr. President:

Please accept my congratulations on completion of your Government's first year in office. The Nationalist cause under your leadership has successfully met many challenges with fortitude and honor since the trying times of July 1954. It is indeed gratifying that the people and Government of Free Viet-Nam have made such strides in consolidating their independence and in advancing the national reconstruction of the country. All those from the North and the South who seek true freedom for the individual deserve the tribute of free men everywhere.

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[1] Source: Department of State, Central Files, 751G.11/7–655. Limited Official Use; Niact. This draft was written by Young. Robertson changed the first two sentences in the third paragraph into a single one which reads: "The support and assistance of the United States for Free Viet-Nam can be helpful to the extent that democratic nationalist elements in Viet-Nam are effective and united." Robertson then sent the draft to Dulles who cut out all but the first sentence. The final message, signed by Dulles and sent as telegram 52 to Saigon at 7:40 p.m. on July 6, reads: "Deliver following message to President Diem from Secretary: Dear Mr. President: Please accept my congratulations on completion of your Government's first year in office." (*Ibid.*)

I realize that you and your associates still face many urgent and formidable tasks in achieving liberty and unity in the struggle against Communism. We in the United States hope that the goals of the Vietnamese people who believe in genuine freedom can be fulfilled in peace and security.

The support and assistance of the United States for Free Viet-Nam will continue. It can be helpful to the extent that democratic nationalist elements in Viet-Nam are effective and united. I trust that the Government of Viet-Nam under your leadership will continue to consolidate its strength, bring stability and progress to Free Viet-Nam, and develop sound relations with its neighbors in Southeast Asia and its friends throughout the free world.

Many Americans have applauded your resolution and courage during a year of crisis in Viet-Nam. Looking to the future, I hope the Free Vietnamese will continue to rally together for the common good and the execution of national tasks."

Letter may be made public.

Dulles

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226. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, July 13, 1955—11 p.m.

184. Re: (1) Tedul 9 to Paris, May 9, 1955,[2] control no. 03251, which transmitted text JCS paper on Indo China; and (2) Saigon's 5974 to Department, repeated Paris 1493.[3]

In view importance implications problem French military presence Vietnam, I have with associates reviewed JCS paper and submit following observations:

1. *Problem:* Problem has two major aspects, political and military. Military aspects should be broken down into those relating to internal security and those relating to defense against external military aggression.

2. *Immediate Vietnamese objective:* Immediate Vietnamese objective as viewed by Diem is both political and military and is to establish beyond any possible challenge full and complete independence to

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[1] Source: Department of State, Central Files, 751G.5/7–1355. Top Secret. Repeated for information to Paris and London and passed to the Department of Defense and CINCPAC.

[2] Document 179.

[3] Document 216.

control and use Vietnamese armed forces within Free Vietnam. To obtain this aspect of sovereignty Diem wishes French transfer High Command to Vietnamese and desires agreement with French defining mission, status and location of FEC. He wishes furthermore to retain support of French air and navy, as well as French training and logistical elements. In addition, he would probably desire retention of certain FEC ground force combat units if they were confined to mutually agreed bases and charged with mission of contributing to defense of territory against external aggression (which is a highly improbable contingency in light of present French inclinations).

3. *Strategic implications—internal security:* Opposed to Vietnamese political and military desiderata are strategic implications arising out of further reduction or complete withdrawal of FEC. JCS paper now to some extent overtaken by events. This paper considered it doubtful that VNA in present state preparation and training could continue maintain internal security under prevailing conditions quasi-civil war without assistance of other forces. Successful progress to date of VNA operations against sects and its progressively growing capability contradicts this appreciation. Whether VNA together with VN security forces will be able to cope at some time in future with possible all-out Viet Minh rising in south is of course function of several unknown factors. Clearly most important of these is Viet Minh underground capability and progress which VNA and VN security forces will have been able to make by date of such rising. Least that can be said in light of current political and particularly military trends in South Vietnam is that relative power ratio is moving in favorable direction. As regards influence continued presence FEC on internal security situation, it is my view that in absence of well defined and mutually agreed understanding with Vietnamese Government FEC's presence will do more to jeopardize than to improve internal security. To this must be added continually reiterated policy of French command here of non-involvement in internal affairs and its admission that its internal security responsibility extends only to French and other foreign colonies.

4. Strategic implications—external aggression:

a. As regards external aggression, I believe we must rely at this time on other means than FEC for ground blocking force to retard any Viet Minh military invasion. (*MAAG Comment:* However, present VN military planning provides for ground forces within six months which it is estimated will be capable of substantially delaying advance of Viet Minh invasion as well as constituting a significant deterrent to any Viet Minh armed aggression. These ground forces will require outside air and naval support. *End MAAG Comment*)

b. Although continued presence of some French forces in Vietnam would at least avoid psychological vacuum which their sudden withdrawal would presumably produce, only real deterrent in area at present is Manila Pact.

c. Issue of stationing French forces on or near 17th parallel apart from important policing and control of demarcation line does not appear to have particular strategic importance. Any considerable force deployed on this line in initial stages of any action could be easily outflanked and by-passed through Laos on the west as well as by sea on the East.

5. *Manila Pact:* Diem has commented on several occasions, although in vague terms, on possible application of Manila Pact to Vietnam, particularly in face of dangerous internal subversion. France is member of Manila Pact, and it would seem logical that continued presence of FEC, reduced and with clearly established responsibilities, would be useful as patent evidence active French interest in SEA to complement interests of US, UK and Free World in area. Yet belief is general among Vietnamese, not to mention French, that political climate in France would not permit FEC again to become involved with Viet Minh. It must also be admitted that such involvement would have undesirable political effect on nourishing Viet Minh propaganda and allegations that once again French were fighting Vietnamese in effort to perpetuate their presence in Indo China.

6. *Problems facing French:* Major problem French face here in considering reduction or withdrawal of FEC are:

a. Responsibilities under Geneva Accords for demarcation line and security ICC.
b. Area defense French naval base Saigon.
c. Protection French community Saigon.

I believe latter problem (c) could be satisfactorily handled from a nearby French base and that actual removal French forces from Saigon proper would tend reduce incidents leading to violence against individual Frenchmen or isolated French residences. Second problem (b) depends in part on willingness Vietnamese to permit French develop naval base at Cap St Jacques or retain security troops Saigon. First problem (a) is more complicated as it depends on willingness Vietnamese to accept, under Article 27 of Geneva Agreement, specific responsibilities undertaken by French High Command. In point of fact, protection ICC should require relatively small number troops if Vietnamese authorities would refrain from encouraging demonstrations against ICC and particularly Viet Minh liaison officers. So far they have shown little disposition to do so and in some instances even admit to having provoked them.

7. *French intentions:* We are convinced by oft-reiterated statement of French High Command here that they ignorant of Paris intentions with respect to problem retention or withdrawal FEC, and, if former, at what level and with what mission. Presumably, French Govern-

ment is now studying problem from financial as well as military and political aspects. It would seem appropriate moment for Department to remind French Government of Faure's undertaking at time of Paris talks on Indochina to discuss with US and British question of future of FEC in Vietnam.

Reinhardt

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227. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, July 14, 1955—3 p.m.

186. This is a joint Embassy/USOM/MAAG message. Reference: Department telegrams 5681 and 49.[2]

1. In our view size of recommended Vietnam military budget should be decided primarily on basis of overall military and political objectives. Since time of formulation governing US policy this question, there have been fundamental changes in situation here of which most important is virtual elimination FEC as major force to deter and resist external aggression.

In our judgement role Vietnam armed forces which was last defined as maintenance internal security should be re-examined. Consequently, we believe re-definition US objectives required before further effort made to refine cost estimates and possible budgets.

2. Following represents our thinking re overall objectives presently feasible and desirable. Because of (a) currently unpredictable future and probable early departure FEC, (b) absence any definite Manila Pact force commitments, (c) increased Viet Minh armed force strength and (d) need for Free Vietnam strength during critical year ahead, a force of 150,000 including integrated sect forces, is considered desirable by July 1, 1956 and for balance of CY 1956. (This 150,000 force strength would provide four field divisions of 8500 each, six light divisions of 5500 each and 13 light infantry regiments.)

3. It is believed that (a) initial disposition these forces would deny an invading enemy use of main transport routes and force him to utilize mountain approaches thereby substantially delaying his ad-

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[1] Source: Department of State, Central Files, 751G.00/7–1455. Secret. Repeated for information to Paris where it was passed to Young; passed by the Department to the Department of Defense and CINCPAC.

[2] Documents 218 and 224.

vance and (b) existence this blocking force would have significant deterrent effect against Viet Minh aggressive armed action.

4. While conscription and training of young replacements is desirable, we believe unwise for political and military reasons press for conscription until army through attribution [*attrition*] begins to reduce below agreed force level. As reserve force of trained men gradually built up, and to extent change in political and military factors permits, we believe eventual further reduction 50,000 level should be sought.

5. Corollary consideration militating in favor 150,000 force goal is problem of demobilization. Difficulties in conforming with original program are due to (a) reluctance of Vietnamese to increase tempo troop reduction because of disrupting effect on armed forces, and fear of adverse political consequences; and (b) interference with demobilization caused by military operations against sects and requirements for pacifying former Viet Minh areas.

6. We greatly appreciate increased allotment and offer following comments re specific points raised in Deptel 5681; primarily because of delay in carrying out planned construction, military expenditures are running at lower rate than previously estimated. It now appears that US allotment of $234.8 million plus expected Vietnamese contribution will cover actual military expenditures CY 1955, even if year end force level should be as high as 150,000 regular armed forces plus 10,000 sect forces. Thus, upward revision goals recommended para 2 above not precluded by financial limitations CY 1955. Recognize that main financial problem presented by this proposal will arise in CY 1956.

In this connection further study indicates that VN military costs can be reduced from approximately $2,000 per man per year to $1,843 per man per year. This reduces estimated cost of proposed military budget for 1956 from $336 million to approximately $286 million.

7. We recognize necessity for continuing effort by US elements here to reduce military costs and maximize size and effectiveness of force which can be supported with whatever funds available. Revised figures above are evidence accomplishments this respect. It would be useful to strengthen MAAG staff devoted to budget and cost control, and appropriate personnel request will be submitted by MAAG through Defense channels.

Reinhardt

228. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Paris, July 15, 1955—6 p.m.

17. 1. Three delegations have discussed what positions to take at Geneva in case Russians raise Vietnamese elections or other Indo-Chinese issues, which is probable.[2] In order allay any Vietnamese fears substantive decisions being made here or Geneva without their knowledge, and to encourage Diem issue statement on elections, believe it might be helpful if on behalf three delegations you inform Diem three Ministers agreed today on following position if Russians raise these matters:

(a) We should avoid discussion of Indo-China at Geneva.

(b) We should oppose any Soviet proposal for 5-power conference on Indo-China or any reconvening of the Geneva Conference of 1954.

(c) If Russians press strongly for discussion of any Vietnamese question at Geneva, we will reply we should leave discussions to be conducted via normal channels: with Vietnamese Government by Western powers and with Viet Minh by Soviets.

2. At same time you should take occasion tell Diem we believe it will help Western position at Geneva if he issues declaration on elections before July 18, inasmuch as we still seek at Geneva protect Vietnam's position in event Russians raise issues concerning Geneva Accords. If he does not make statement, we will face more difficult task in heading Russians off.

3. Inform UK and French reps.

Dulles

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[1] Source: Department of State, Central Files, 751G.00/7–1555. Secret. Repeated for information to London and to the Department as Secto 12; the Department copy is the source text. Dulles and Young were members of the U.S. Delegation to the tripartite talks in Paris preparatory to the Four-Power Geneva Summit Conference, July 18–25.

[2] Text of the draft positon paper on Indochina, as prepared by the Indochina subcommittee of the working group entrusted with preparation of agreed tripartite positions for Geneva, is in telegram 187 from Paris, July 12. (*Ibid.*, 396.1–GE/7–1255)

229. Telegram From the Acting Secretary of State to the Embassy in Vietnam[1]

Washington, July 15, 1955—7:26 p.m.

165. Saigon 8 repeated Paris Hanoi 2 Ottawa New Delhi London 1.[2] U.S. position taken at Geneva by General Smith[3] was reiteration statement made by President on June 29[4] that "in the case of nations now divided against their will, we shall continue to seek to achieve unity through free elections, supervised by the United Nations to ensure that they are conducted fairly." General Smith further said "with respect to the statement made by the Representative of the State of Viet-Nam,[5] the U.S. reiterates its traditional position that peoples are entitled to determine their own future and that it will not join in any arrangements which would hinder this. Nothing in its declaration just made is intended to or does indicate any departure from this traditional position."

Regarding Diem's position, it is our understanding that no pressures are likely to move him from his policy of refusing to acknowledge the Geneva Agreement as binding upon Viet-Nam, or to see advantage as practical matter of acting under it.

If he should discard Geneva formula and not find some satisfactory substitute, we believe Free Viet-Nam will be in highly vulnerable position, due to Communist pressures and lack of sympathy of many Western and Asian allies.

We have made preliminary study of probable UN reaction to a proposal that it accept responsibility for supervising pre-election consultations and elections.[6]

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[1] Source: Department of State, Central Files, 751G.00/7-155. Secret. Drafted by Hoey and cleared by IO, UNP, EUR, WE, L, FE, and PSA. Repeated for information to Paris, London, Ottawa, New Delhi, and Hanoi.

[2] In this telegram, dated July 1, the Embassy had reported that a recent speech by Diem contained additional indication that the government, "if and when it agreed discuss 1956 elections" would probably insist that the United Nations, and not the ICC, play a role in the supervision of the electoral process. The Embassy asked for the "Department's thoughts" on the desirability and possibility of the United Nations playing such a role in case Diem should raise the issue. (*Ibid.*)

[3] For text of the concluding statement made by Under Secretary Walter Bedell Smith at the last plenary session at Geneva on July 21, 1954, see *Foreign Relations*, 1952–1954, vol. xvi, p. 1500.

[4] The reference is to a joint Eisenhower–Churchill statement. For text, see *ibid.*, p. 1260.

[5] The reference is to a statement by Tran Van Do at the last plenary session at Geneva, July 21, protesting the conclusion and conditions of the armistice and reserving for the State of Vietnam complete liberty of action. For text, see Cameron, *Viet-Nam Crisis*, vol. I, pp. 309–310.

[6] Memorandum from Bacon to Hoey, July 13, not printed. (Department of State, Central Files, 751G.00/7-1355)

We assume that such a request would be opposed by the UK France India Burma and Indonesia as well as by Communist bloc on the ground that election supervision has already been provided for in Geneva Agreements. UK and French opposition expected to influence Western European votes. If introduced in SC it would fail of adoption. If brought to General Assembly, unlikely required two thirds majority could be obtained in GA for resolution providing for UN supervision. Above estimate on basis strong U.S. support.

If we are correct in our assumption (and we are making further study[7]) there is virtually no prospect for constructive UN action at this stage. Should also be noted GA could probably not consider matter until October at earliest unless special session called. GA special session at this time not desirable for various reasons. Included within possible UN action would be reference to International Court for advisory opinion on extent of Viet-Nam's obligation under Geneva Accord.

Diem should realize that in view unfavorable prospects UN appeal reference to UN would not remove need for active consideration other solutions.

You should inform Diem of above making certain he understands our support and sympathy and that we are conveying this information to him in an effort to be helpful.

Regarding what advice we can give him under circumstances, we estimate that Geneva formula is unacceptable to Viet-Nam and UN formula is unlikely to eventuate. Therefore remaining course appears to be avoidance any reference to Geneva by name or to UN action.

It should be borne in mind that authority given to ICC by Geneva Accord does not include authority for setting up machinery for either pre-election consultations or elections themselves. Therefore if it were decided to accept tacitly existence of ICC, without acknowledging Geneva Accord, there would be no factor limiting Free Viet-Nam's insisting on additional measures to ensure free elections. This is a point which should be carefully considered by Diem.

Statement on elections might consist of reference desire Free Viet-Nam see divided territories reunited; acceptability of interzonal elections only under genuinely free conditions; and need to have such free conditions enforced by international action.

You should convey substance above to Diem.

Hoover

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[7] Memorandum from Robertson to Wainhouse, July 13, and memorandum from Phillips to Robertson, July 27, neither printed. (*Ibid.*, 751G.00/7–1355 and 751G.00/7–2755, respectively)

230. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, July 16, 1955—2 p.m.

241. Reference: Deptel 130 repeated information Paris 174.[2]

1. Have just obtained from Foreign Minister Vu Van Mau latest draft received Diem declaration which it is planned to broadcast by radio at 1800 hours this afternoon, July 16.[3] This final draft is, I believe, the best that can be hoped for in the circumstances. British Ambassador and French Political Counselor Cerles, to whom I have shown text, agree. Mau said to me that Cabinet had worked on it all last night in effort to meet as far as possible British desires. I limited my suggested changes to recommending that paragraphs numbered 2 and 3 be placed further down in the text between paragraphs 5 and 6 and to recommending that the word "examining" in paragraph numbered 7 be changed to some such term as "considering." Mau promised to bring these suggestions immediately to Diem's attention. I am seeing Prime Minister later this afternoon and will endeavor to obtain his acceptance thereto.[4]

2. Text follows. Numbers added for reference purposes.

Countrymen,

1. The National Government has on several occasions emphasized the value it has always attached to the defense of the country's unity and of true democracy.

2. We did not sign the Geneva accords.

3. We are in no manner bound by these accords reached against the will of the Vietnamese people.

4. And while our policy is one of peace, no maneuver from any quarter will cause us to stray from our goal: the unity of our country, but unity in freedom and not in slavery. Serving the national cause, we struggle more than ever for territorial reunification. We do not reject the principle of elections as the peaceful and democratic way to achieve such unity.

5. However though elections constitute one of the bases of true democracy, they can have no justification unless they are genuinely free.

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[1] Source: Department of State, Central Files, 751G.00/7–1655. Secret; Niact. Repeated for information to Paris and Geneva.

[2] In this telegram, July 13, the Department authorized Reinhardt, at his discretion, to inform Diem that any statement before July 18 by the South Vietnamese Government made on the question of elections would reinforce U.S. tactics in discouraging the Soviet Union from raising Indochina at the upcoming Summit Conference. Reinhardt was to add that he was not trying to force Diem to accept the Geneva formula for elections. (*Ibid.*, 396.1-GE/7–1355)

[3] This statement was broadcast over Saigon radio. It was later published in French and English by the Ministry of Foreign Affairs of the Republic of Vietnam. For the text as published, see Cameron, *Viet-Nam Crisis*, vol. I, pp. 383–384.

[4] According to the version published in Cameron, Diem replaced "examining" with "considering", but did not move paragraphs 2 and 3 between 5 and 6.

6. But, faced with the regime of oppression practiced by the Viet Minh, we remain skeptical as to the possibility of obtaining free electoral conditions in the north.

7. We shall not miss any opportunity that would permit the unification of our territory in freedom. But there can be no question of our examining any sort of proposal from the Viet Minh if we are not given proof that they place the higher interests of the national community above those of communism; if they do not renounce terrorism and totalitarian methods; if they do not cease to violate their commitments, as they have done in preventing our countrymen from the north to go to the south, in recently again attacking, in concert with the Communist Pathet Lao, the friendly state of Laos.

8. It is upon us, nationalists, that the mission devolves of reunifying our country, under conditions that are most democratic and effective to guarantee our independence.

9. The free world is with us, of this we are assured.

10. I am certain that I truthfully express the thought of all when I solemnly affirm our will to resist communism.

11. To those who live beyond the 17th Parallel, I ask them to have confidence.

12. With the agreement and the support of the free world, the National Government will bring you independence in freedom."

Reinhardt

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231. Telegram From the Acting Secretary of State to the Embassy in Vietnam[1]

Washington, July 20, 1955—8:16 p.m.

220. Saigon 310 repeated Paris 87 Geneva 6 London 34 Ottawa 32 New Delhi 31 Phnom Penh 25 Vientiane 26 Hanoi 36;[2] New Delhi 137 repeated Geneva 11 Paris 18 Ottawa 2 London 9 Saigon 6 Moscow 9.[3]

We are concerned ICC decision, especially coming during Summit talks, and had hoped prompt action by Vietnamese Government might head off ICC request instructions from co-Chairmen. Although matter already referred Geneva, suggest Reinhardt recommend Diem immediately issue public expression regret for irresponsible demonstrations and address letters along same lines to ICC and Governments of foreign nationals affected.[4] Reinhardt might also state our belief ICC serves useful function, particularly in helping prevent resumption hostilities, deterring Viet Minh subversion in South, and enabling refugees reach Free Viet-Nam, and that Vietnamese interests not served by actions antagonizing Canadian Indian members Commission.

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[1] Source: Department of State, Central Files, 751G.00/7–2055. Secret; Niact. Drafted by Byrne and cleared with PSA and FE. Sent also priority to London, Ottawa, and New Delhi; repeated for information to Paris, Geneva, Phnom Penh, Vientiane, and Hanoi.

[2] In this telegram, July 20, the Embassy reported that large-scale rioting had broken out in Saigon against representatives of the ICC and that the Commission had terminated its sessions and requested instruction from the two Geneva cochairmen in view of South Vietnam's instigation of the mob violence. (*Ibid.*)

[3] In this telegram, July 20, Indian officials relayed to the American Embassy details of the anti-ICC rioting in Saigon and a request from Nehru that the United States urge Diem to maintain order and security in Saigon. (*Ibid.*)

FYI: We believe ICC also of use as international body which would be neutral observer already on spot in case of Viet Minh aggression. End FYI.

Recommend Ottawa and New Delhi inform External Affairs we trust Nehru in requesting instructions co-Chairmen based on "Vietnamese anti-ICC position" has nothing precipitate in mind. Stress importance ICC effort and need of its presence Viet-Nam. Suggest you add we understand Vietnamese Government has initiated steps rectify situation. This would seem to counsel patience on part all Governments concerned.

London requested tell Foreign Office we hope, if co-Chairmen requested give instructions, UK will take position recommending no referral other Geneva Powers and no publicity, and urging present ICC efforts maintain peace in Indochina be continued.

For Saigon: We are interested in knowing what Diem's ultimate intentions are with respect ICC. Request your assessment when sufficient indicators available. Department desires your comprehensive analysis situation soon as possible. Repeat all telegrams Geneva while Secretary there.

Hoover

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[4] This Reinhardt did on July 20, Saigon time. (Telegram 341 from Saigon, July 21; *ibid.*, 751G.00/7–2155)

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232. Memorandum of a Conversation, Palais des Nations, Geneva, July 21, 1955, 2:30 p.m.[1]

PRESENT

The President

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[1] Source: Eisenhower Library, White House Office, Geneva—Notes and Observations. Drafted by Walters. The conversation took place in the U.S. Delegation Office.

The Secretary of State (part of conference)
Prime Minister Edgar Faure
Mr. Armand Berard
Lt. Colonel Vernon A. Walters

[Here follows discussion of matters unrelated to Vietnam.]

(Secretary of State Dulles rejoined the Conferees)

Mr. Faure then said he would like to say one word on the subject of Indo-China. The French were worried by Diem whom they were trying to support in common with the United States, but he was an extremely difficult man. He had been forewarned of these recent outbreaks.[2] He had been offered help by the French which he had refused. He felt it would be helpful if the U.S. and France could act in concert to overcome the problems presented by the fact that Diem was such a difficult person. The second matter was that Diem wanted the French out and wanted no collaboration of any kind with them. Mr. Faure said he was quite willing to withdraw all French troops there, but it must be understood that under those circumstances the French could not be later expected to defend anything. Regarding the elections, Diem still had one year before him, but his attitude now was that he was not going to hold them. Mr. Faure felt that this was not a good idea and that it would be far better if Diem would give the impression that he intended to hold these elections even if he did not. Mr. Faure said he received a telegram from Nehru criticizing the situation in Viet Nam and protesting against the French failure to provide adequate protection for the International Armistice Commission.

The President said he knew Mr. Diem was sometimes difficult, but we had been seeking for many years to find a figure who could be directly connected with popular aspirations. We needed someone from this area who could personify for Viet Nam that they were fighting for independence, and regardless of his faults, it would not be helpful to eliminate him as who else could be found. He has achieved independence but he hates the French and this weakens the whole structure. The President did not feel that it would be helpful to attempt to solve this problem by threats to undermine Diem, as it would be difficult to find someone who could replace him. The President, while saying he understood Mr. Faure's difficulties, felt that we did not have a free hand, because if we removed him, communism would triumph. He hoped that the Prime Minister could talk to Secretary Dulles right away, as Admiral Radford and Secretary Anderson, who were both very well informed on this situation, were in Geneva. He did not wish to do anything which would embarrass Mr. Faure in any way, and he felt that if we handled this matter skillfully, we would obtain better cooperation from Diem who was admittedly difficult.

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[2] Against the ICC; see footnote 2, *supra*.

Mr. Faure said he had started to talk to Secretary Dulles on this matter and against the advice of some of his councillors, he had decided to support Diem. It was his desire to carry out a policy of association, not only in Viet Nam, but also in North Africa. He wanted to thank the President for the helicopters which had been given by the United States for use in North Africa. He felt it was very difficult to fight communism unless we could associate ourselves with the national aspirations. Mr. Faure said he felt it would be helpful if the U.S. could intervene with Diem to get in touch with North Viet Nam on the question of holding the elections and secondly, on the question of the French Expeditionary Corps in Viet Nam if he could be made to rally to a position which the U.S. and French would work out in common. The President said he felt it would be well if this matter could be studied. Mr. Faure said he would meet with Secretary Dulles, Mr. Macmillan, and Mr. Pinay.[3]

The Secretary of State then said we had already pressed Diem to take a more positive attitude toward the elections but had not obtained any results. An anomalous situation existed in that the French had signed the Accords, undertaking to hold the elections and that Diem who was the party that would hold the elections, had not signed. France had made the undertaking and Diem who had the power to carry it out did not want to do so to signify his disapproval of the Geneva agreement.

Mr. Faure said he had discussed this matter with Mr. Eden who had said that Diem was against the Geneva agreements, but if there had not been any Geneva agreements, there would not be any Mr. Diem. Secretary Dulles commented that Diem was not always logical.

Mr. Faure then said he felt that his talk with the President had been extremely helpful and he did not wish to detain him any further. He again apologized for arriving late and took leave of the President and the Secretary of State.

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[3] For a report of that meeting, see Secto 64, *infra*.

233. Telegram From the Secretary of State to the Department of State[1]

Geneva, July 22, 1955—1 p.m.

Secto 64. 1. With Faure present and speaking for French, three Foreign Ministers this afternoon[2] took up Vietnam following Eden's receipt Nehru's [telegram] on Saigon riots and ICC protection. Molotov has same message and apparently wishes raise matter. We agreed Eden should inform him French authorities will take appropriate measures protect ICC.

2. It was also agreed Eden should not raise election issue. But if Molotov mentions Viet Minh proposal of July 20,[3] Eden would indicate we will be in touch with Vietnamese on matter.

3. Faure discussed elections and consultations, stating it is indispensable Vietnamese make contact with Viet Minh. After some discussion it was agreed some contact desirable. Roux, Caccia, and Young instructed prepare draft message[4] to our representatives Saigon take up matter with Diem together or individually. Message would advise him contact Viet Minh and assure him our support on genuinely free elections.

4. French del informed us Viet Minh asked French transmit July 20 letter[5] officially to Bao Dai and Diem, which they are doing.

Dulles

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[1] Source: Department of State, Central Files, 396.1–GE/7–2255. Secret; Priority. Repeated for information priority to Saigon, London, Paris, New Delhi, and Ottawa.

[2] July 21.

[3] On July 20, the DRV broadcast a statement announcing that Pham Van Dong had sent Diem and Bao Dai a letter proposing joint consultations beginning on July 20, "as provided for by the Geneva Agreements, at a place agreeable to both sides, on the Vietnamese territory, in order to discuss the problem of reunification of our country by means of free general elections all over Viet-Nam." For the rest of the relevant portion of the letter of July 19, see Cameron, *Viet-Nam Crisis,* vol. I, pp. 388–389.

[4] The telegram as sent is *infra.*

[5] The reference is to the DRV letter of July 19, the contents of which were broadcast on July 20.

234. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Geneva, July 22, 1955.

4. For Ambassador from Secretary. Ref: Secto 64 sent Saigon 3 London 25 Paris 34 New Delhi 6 Ottawa 3.[2] The 3 Western Delegations agreed today on common instructions regarding their views on the question of consultations and elections in Vietnam. The English text of your instructions is as follows:

"Yesterday, after having taken up the telegram from Mr. Nehru to the two co-Presidents, the Three Western Foreign Ministers discussed the question of the Viet Minh letter to the Vietnamese Government regarding consultations. They have decided to ask their representatives in Saigon to inform President Diem that their governments believe it advisable that he should not neglect replying to the message which has just been sent to him.

Please take up this subject with Diem along the following lines:

The United States Government realizes Diem's preoccupations in this matter and understands his position regarding the Geneva accords. It also believes, as he does, that it is necessary to avoid taking any position which would compromise his authority, discourage the Vietnamese people or weaken the nationalist and democratic spirit. Moreover, the United States Government will fully support the Vietnamese Government concerning genuinely free elections, and, consequently, it has no intention of insisting that the Vietnamese Government should automatically accept anything the Viet Minh propose. It seems to us that it would greatly weaken Diem's authority were he to seem to be fearful that the Communists would win genuinely free elections in Vietnam. You should point out this is something they have never yet done anywhere.

At the same time it is important not to furnish any motive for Communist subversion in the south, nor any pretext to the Communists to raise the question of Indo-China, particularly elections in Vietnam, at the diplomatic level under conditions which would be unfavorable for the free world. Therefore some Vietnamese response to the authorities of Hanoi is necessary. If it is desired, we of course are ready to study with the Vietnamese authorities the terms of this reply as well as the means by which it would be carried out.

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[1] Source: Department of State, Conference Files: Lot 63 D 123, CF 524. Secret; Priority. Drafted by Young. Repeated priority to the Department of State as Secto 67, and to London, Paris, New Delhi, and Ottawa.

[2] *Supra.*

Similar instructions are being addressed to your French and British colleagues. Please consult with them whether you should present the above position to Diem jointly or separately."[3]

Dulles

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[3] According to telegram 278 to Saigon, July 25, the Department of State preferred that Reinhardt make the démarche separately. Furthermore, Reinhardt was to point out to Diem that the three powers understood his position on the Geneva Accords and would insist on "genuinely free elections"; these were positive gains Diem might overlook in his first negative reaction to "being pushed". (Department of State, Central Files, 396.1–GE/7–225)

According to telegram 428 from Saigon, July 27, the representatives of the three powers made their presentations to Diem orally and separately on July 26. It was Reinhardt's impression that Diem was taking the matter in reasonably good grace, although it would be difficult to get him to respond to Dong's letter with anything more than a public declaration. (*Ibid.*, 751G.00/7–2755)

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235. Memorandum From the Director of the Office of Philippine and Southeast Asian Affairs (Young) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)[1]

Washington, July 25, 1955.

SUBJECT

Further to conversation with me this morning.

1. Regarding the parallel tripartite instructions to Saigon, I am convinced we gained a significant commitment from Eden and Faure personally supporting Diem, expressing understanding of his difficult internal position, making full allowance for his position on the Geneva Accords, and most important assuring him of French and British support on genuinely free elections. Diem has wanted such assurances from the French, Reinhardt has reported a number of times, during the past two months. I got those assurances in Geneva and I think that is a worthwhile accomplishment. As far as I can see there is nothing in the joint instructions which is inconsistent with the State Department's position on elections and consultations. In view of the assurances being given to Diem from the French and the British, I did not think at Geneva nor do I now that a joint demarche should be prohibited. I feel that it was better to leave that up to Reinhardt's good judgment. I have since seen his telegram No. 375 of

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[1] Source: Department of State, Central Files, 751G.00/7–2555. Confidential.

July 23.[2] The parallel instructions meet his points. However, neither in Paris nor in Geneva did I go into any detail with the French and British as to what kind of report Diem should make to the Viet Minh. Their views coincide with ours that this whole matter of consultations should be stretched out over a long period of time and that there is no need for any direct contacts with the Viet Minh.

[Here follows brief discussion on the precedent for using the term "Central People's Government of the People's Republic of China".]

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[2] In this telegram, July 23, the Embassy urged that tripartite instructions for representations to Diem on elections seek a formula avoiding all reference to the Geneva provisions and allowing Diem to engage in consultations with the North outside the framework of the Geneva Accords. (*Ibid.*, 396.1-GE/7-2355)

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236. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, July 26, 1955—6:01 p.m.

293. . . .

. . . .

When Molotov brought up Vietnamese elections [at the Eden–Molotov talks held in Geneva on July 23] Eden stated British had always suggested consultations and U.S. UK France had agreed recommend Vietnamese Government answer Dong letter. Molotov had seen report of agreement in press.

Macmillan declared UK would do best see Geneva Accords fully implemented and consultations undertaken.

Eden doubted two co-Chairmen should send communication other Geneva signatories. Molotov did not dissent. British thought preferable co-Chairmen maintain close contact two parties Viet-Nam, Indians and each other. Molotov appeared accept idea of telegram to Nehru in this sense.

Molotov stated he would send Nehru own account conversation and asked whether Eden would object Molotov's informing "Chinese" Government. Eden said no.

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[1] Source: Department of State, Central Files, 396.1-GE/7-2655. Secret. Drafted by Byrne. Repeated for information to Phnom Penh, Vientiane, New Delhi, Ottawa, Paris, and London.

Eden commented atmosphere calm and not unfriendly. Both sides agreed world not so close to war as last summer.

. . . .

Dulles

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237. Memorandum From the Secretary of State's Special Assistant for Intelligence (Armstrong) to the Secretary of State[1]

Washington, July 27, 1955.

SUBJECT

NIE 63.1-55: Probable Developments in North Vietnam to July 1956[2]

The Intelligence Advisory Committee concludes that the immediate aim of the Communist "Democratic Republic of Vietnam" (DRV) is to consolidate its control of the area north of the 17th parallel and to gain control of South Vietnam. Although passive resistance and discontent resulting from harsh control measures and poor economic conditions may increase, the Communist regime will maintain effective control in the North. The DRV will continue its present efforts to weaken the Diem Government through subversion, intimidation, and propaganda, and to bring to power in the South men prepared to accept coalition with the DRV, either before or after nationwide elections.

While the Communists almost certainly would not agree to complex and elaborate safeguards and guarantees, they probably would agree to some form of neutral (but not UN) supervision of the elections, estimating that such supervision would work to their advantage in the South and, as manipulated, would not adversely affect their position in the north.

Even though it is capable of defeating all military forces, including the French, in South Vietnam as well as in Cambodia and Laos, the DRV is not likely to invade either South Vietnam or Laos openly during the period of this estimate. Communist concern for Western, and particularly US reaction and general considerations arising from overall Bloc policy are deterrents to such attacks. The Communists now have few assets in Cambodia and will probably be unable to develop a significant internal threat to that country until they have strengthened their positions in Laos and South Vietnam.

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[1] Source: Department of State, Central Files, 751G.00/7-2755. Secret. A marginal note on the source text by O'Connor indicates that Dulles saw this memorandum.

[2] For text of NIE 63.1-55, July 19, see *United States–Vietnam Relations, 1945–1967*, Book 10, pp. 993–996; the record copy is in Department of State, INR Files.

The IAC estimates that the resumption of widespread guerrilla activities is unlikely unless the DRV should come to the conclusion that South Vietnam can be won only by force. Should the DRV decide to use force short of open invasion, it would probably attempt to undermine the Saigon government through sabotage and terror, seeking the formation of a new government amenable to Communist demands for a national coalition.

PA

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238. Letter From the Director of the Office of Philippine and Southeast Asian Affairs (Young) to the Ambassador in Vietnam (Reinhardt)[1]

Washington, July 28, 1955.

DEAR FRED: Thank you so much for your letters of July 1 and July 10.[2] We have now received your telegrams[3] on the FEC and the force levels for Viet-Nam, both of which have been extremely useful in getting State, Defense, and ICA[4] to thinking about these problems on the basis of your current views and recommendations. I understand that the people in Defense and ICA are also inclined to a force level of 150,000 for the Vietnamese. ICA also thinks that the funding may not require any additional money for calendar '56.

During my week in Paris and my week in Geneva several matters came up which may be of some interest to you and the Embassy:

1. The handling of Indochinese affairs in Paris is undergoing a slow but apparently definite metamorphosis. The Ministry for Associated States is drying up on the vine. Faure and Berard handle Indochinese affairs themselves, particularly Viet-Nam. They consult with Jacques Roux in the Foreign Office but apparently bypass LaForest and Risterucci. It is only a question of time before the responsibility will be turned over to the Ministry of Foreign Affairs, according to

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[1] Source: Department of State, Saigon Embassy Files: Lot 58 F 125, 350 Vietnam 1950–55, Classified. Secret; Official–Informal.

[2] Neither found in Department of State files.

[3] Documents 226 and 227.

[4] The Foreign Operations Administration (FOA) was abolished by Executive Order 10610, July 1, 1955, and replaced by the International Cooperation Administration (ICA), a semiautonomous organization within the Department of State.

Jacques Roux, Bill Gibson and Vo Lang.[5] If these three agree, that is probably a pretty solid prophecy. Also, LaForest and his associates seem to be reduced to a rear-guard action in collaboration with Bao Dai and his entourage against Ngo Dinh Diem. I gather, however, that both the Ministry and the entourage are pretty much "has beens". It is just a question of time for Faure politically to develop a deal with LaForest.

2. After several talks with Jacques Roux, Berard and one or two with Tomlinson, I concluded that all of us are pretty much in tune on the modalities of Vietnamese consultations and elections. There seems to have been a substantial shift in both the French and British viewpoints during the past two months. They are not insisting on a full-blown consultative conference or opening of talks on July 20th. Instead they are willing to take any small token from Diem—a declaration, a letter through any channel, a series of written exchanges on questions and conditions between the two sides. Their main concern is that some slight movement be made at a leisurely pace. They hope to avoid Viet Minh sabotage and terrorism in the South, charges against them that they are breaking their Geneva obligations, and the ultimate threat of Viet Minh attack under circumstances politically prejudicial throughout the world to Ngo Dinh Diem. They do not wish to press him into concessions nor do they insist that the two sides reach an agreement and that elections be held. I take it at the working level that the French and British are prepared as we are to see this election trail off indefinitely into the future. The problem is developing as a matter of de facto evolution springing out of the nature of things and accepted all around as the facts of life.

3. I suggested to the Department that Roux, Tomlinson and I might prepare a brief paper on these various points to put our respective views in conformity. For various reasons that did not work out. It seems to me the best place to do that is in Saigon. You and the Embassy are much closer to the scene and know the whole thing better than we do. One result of the parallel instructions to you and your individual démarches might be to work out the modalities.

4. My mission in Paris and Geneva was somewhat mythical. I was the guardian of silence on the Far East. The Russians never pressed the issue and Bulganin treated it quite perfunctorily in his opening and closing statements. If it had not been for the riots in Saigon I am quite sure nothing would have happened at all at Geneva. That ill-timed incident ignited warm discussions on the side and in the corridors. Molotov told Eden he had a letter from Nehru which he wanted to discuss. The British called a meeting of the For-

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[5] Vo Lang was Ngo Dinh Luyen's Chef de Cabinet.

eign Ministers with Faure present. I reported that in Secto 64.[6] The French were pretty upset about the whole matter for they felt that they would be charged with negligence by the Communists and the Indians and blamed for the incident by the Vietnamese. They wanted to tell Molotov right away that the French would abide by their obligations under Article 25. Faure made no bones about his complete exasperation with Diem over this as well as over the Hoppenot business.[7] Then the Dong letter led Faure at this moment to launch into quite a long discussion about elections and consultations. I was surprised by the sensible, practical views he expressed. He made it clear he does not expect elections to be held but felt Diem should declare views on really free elections. Faure said France would support him in this. Faure also said that Diem's repudiation of Geneva was a great asset for us. It was really just a question of tactics in playing this matter so as not to provoke the other side. Therefore he felt Diem should make some response or make some contact with the Viet Minh. Macmillan agreed strongly and felt that the three ministers should urge Diem into consultations. The Secretary made two points, all in French. He first pointed out the internal morale problem that Diem has, as you have reported it. Both Faure and Macmillan seemed to be fully aware of this problem and acknowledged it without reservation. Secondly, the Secretary said that Diem should have assurances of support from the three of us if we were going to ask him to make any kind of response to the Viet Minh. Faure and Macmillan both agreed this was an excellent idea and Pinay strongly concurred, his only contribution to the hour's meeting. The ministers then decided instructions should be drafted to their representatives in Saigon. Faure and Macmillan suggested a joint démarche. I suggested to the Secretary that we have been successfully proceeding with individual contacts and that it would be better for us to keep our freedom of action. Faure and Macmillan then agreed that it would be better to leave this up to the three of you in Saigon. During this meeting and in my drafting of the parallel instructions with Roux there was no discussion of the substance or of the timing of Diem's reply to the Viet Minh. The French were greatly concerned that Diem would reject the Dong letter out of hand before the three Western powers could get to him.

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[6] Document 233.

[7] The reference is to a Franco-South Vietnamese difference of opinion over whether the French representative to the State of Vietnam should be styled Ambassador (as the Vietnamese insisted) or High Commissioner (as the French preferred). The compromise worked out in the end was "Ambassador on Extraordinary Mission, High Commissioner of The French Republic to The State of Vietnam". (Telegram 338 from Paris, July 22; Department of State, Central Files, 751G.00/7–2255)

5. I had no trouble at all drafting the parallel instructions—Secto 67.[8] Roux wrote it out in French from a list of points I had made and agreed heartily on the paragraph of assurances to Diem. The ministers concurred in our draft with only one or two minor editorial changes. The Secretary added a couple of sentences about the Communists not winning elections, and off went the telegram. I was somewhat concerned about our joining with the French and British in pressing Diem to make an answer but from our point of view it seemed we should at least ask this of him. We are worried in Washington about Viet Minh capabilities of subversion and sabotage and the Vietnamese capacities for resisting. At the same time I felt this was a moment in Geneva to obtain the assurances from the French and the British as well as an understanding and sympathy for him and for his position. I hope this will help your handling of this delicate problem with Ngo Dinh Diem and his government. There must be an atmosphere of reciprocal confidence if the extremely delicate operation during the next year is to succeed.

Your telegram 428 of July 27[9] indicates that this matter came off all right in the first instance. We hope that our present line and the formulas to develop will keep the issue of consultations and elections from getting very hot.

6. Berard talked to me in Geneva about the FEC. He indicated the French are undecided how far to cut the French forces in Viet-Nam and wondered what our thinking was. They are deliberating over two choices: 1) a reduced force of about 20,000 including air, navy, and ground, instructors and logistic support, or 2) total reduction of all French forces from Viet-Nam all except possibly instructors for the VNA. He said there was great pressure in Paris particularly in political circles to get all French forces out of Viet-Nam right away. He stated that he and Faure were inclined to the first alternative. If that were the final decision, French forces would be removed from metropolitan areas in any event. I told him that we had no high level opinion of the question but that we would be agreeable to whatever the French and Vietnamese worked out. Our main concern was to insure the retention of enough instructors to help us with the VNA training and to advise the VNA.

7. I met with the High Commissioner in Paris to assure him we were not talking about Viet-Nam or the Far East in Geneva. I also had several talks with [name deleted] in Geneva. He showed me his files on many subjects. He possesses an earnest set of eyes and ears for Ngo Dinh Diem in Paris and no doubt he sees and hears a lot.

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[8] Printed as telegram 4 to Saigon, Document 234.

[9] Not printed, but see footnote 3, *ibid.*

Judging by the correspondence he appears to have with Diem, he is quite a source of information.

With all the best,
Regards

Ken
Kenneth T. Young, Jr.

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239. Memorandum From the Acting Assistant Secretary of Defense for International Security Affairs (Davis) to the Joint Chiefs of Staff[1]

Washington, July 29, 1955.

SUBJECT

Revised Force Bases for Vietnam

REFERENCES

State Cables from Saigon Nos. 183,[2] 184,[3] 186[4]
State Cable from Paris No. 238[5]
State Cables to Saigon Nos. 5681,[6] 49[7]

Chief MAAG, Indochina, with the concurrence of the Ambassador and the Director, USOM, has recommended an increase in the authorized strength of Vietnamese armed forces to 150,000 for the balance of the calendar years 1955 and 1956. Such an increase will require substantial additional direct forces and defense support funds for FY 56. Accordingly, it is requested that you submit your comments on and recommendations concerning the Vietnamese force bases proposed by MAAG Indochina.[8]

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[1] Source: JCS Records, CCS 092 Asia (6-25-48). Top Secret. This memorandum was filed as an enclosure to a note by the Joint Secretaries to the JCS (J.C.S. 1992/470), August 1. (*Ibid.*)

[2] In this telegram, July 13, the Embassy reported that Vietnam's Deputy Defense Minister was leaving Saigon for military discussions in Paris with the French with instructions to call for total withdrawal of French troops from Vietnam by March 1956. The Embassy questioned the wisdom of such an approach and expressed the fear that unless the United States discussed the matter with the French, it could be accused of assisting and encouraging the Vietnamese. (Department of State, Central Files, 651.51G/7-1355) Three footnotes in the source text citing telegram references have been eliminated. The information in those footnotes is in footnotes 3-8 below.

[3] Document 226.

[4] Document 227.

[5] In this telegram, July 15, the Embassy in Paris reported that inquiries with French Foreign Ministry officials confirmed MAAG Vietnam's reports that the French had decided to withdraw the FEC from Indochina as rapidly as possible. (Department of State, Central Files, 751G.5/7-1555)

[6] Document 218.

[7] Document 224.

In so doing, it is requested that you consider and present your views upon the following points:

a. Any changes in the military situation resulting from the reduction of the FEC during the past year and the probable future phase-out of most French Union ground forces.

b. The capability of the Viet Minh for subversive and paramilitary activities in Free Vietnam and the probability of their exercising those capabilities within the next year.

c. The VNA strength required to (1) permit politically-necessary integration of some sect forces; (2) continue military operations against Binh Xuyen and dissident Hoa Hao elements; (3) contain the remaining sect forces; and (4) contain Viet Minh underground capability discussed in response to paragraph b above.

d. The speed with which VNA forces could be demobilized without seriously affecting the efficiency of the army or greatly aggravating the existing internal security problem.

e. The organization and functions of any VNA forces in excess of the presently planned three field and three territorial divisions.

f. The effect of any increase in force levels upon the availability of excess stocks of military equipment for trans-shipment from Indochina.

In connection with point e it should be noted that existing U.S. national policy calls for supporting Vietnamese forces needed to maintain internal security, but not those designed to check external aggression. Accordingly, while the desirability of building up forces, such as the three existing field divisions, with a potential capability of deterring aggression and delaying any Viet Minh advance is recognized, such a mission must be thoroughly justified in the light of changed military circumstances if it is to be acceptable to U.S. Government authorities.

In order that no time may be lost in arriving at a decision on the size of the Vietnamese forces to be supported, the Department of Defense has already requested[9] CINCPAC to submit as a matter of urgency his views on this matter. Since you may wish to consider these views in arriving at your own recommendations there may be a delay in providing the information requested. However, if it is at all practicable, your recommendations should be submitted not later than 15 August 1955.

A.C. Davis[10]
Vice Admiral, USN

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[8] See Document 247.

[9] In telegram DEF 985882 to CINCPAC, July 29. In this telegram, the second and third paragraphs of the memorandum printed here, including the lettered subparagraphs, are repeated verbatim. (Department of Defense Files)

[10] Printed from a typed copy which bears this signature and an indication that the original was signed.

240. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, August 3, 1955—8:37 p.m.

388. Saigon 541 repeated Paris 145, London 78, Ottawa 73, New Delhi 72, Canberra, unnumbered.[2] In order retain support international public opinion, particularly British, French, Indians, we continue believe advisable Vietnamese transmit written reply Dong letter[3] in addition making simultaneous broadcast. Since, however, our object is prolong consultations process long as possible, response need not be rushed.

Inasmuch as response limited to broadcast could be considered by Viet Minh if they so desired as reply permitting proposal next step consultations, broadcast gambit would probably not delay procedure. Only possible benefit might be postponement Vietnamese recognition Viet Minh authority in North. Suggestion paragraph 2–B your 436 repeated Paris 128, London 68, Ottawa 64, New Delhi 63, Canberra 1[4] appears solve problem address in manner avoiding such recognition.

With respect transmittal, since Vietnamese have already had indirect contact through French on Joint Commission, this military channel might be considered connection letter.[5]

Recommend you point out to Diem direct reply would have advantage international approval, and that it seems feasible devise address, method forwarding, and content which would not damage domestic position. Suggest you not press strongly, however, since issue of secondary importance in comparison other imminent questions where heavy U.S. pressure may be required.

Dulles

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[1] Source: Department of State, Central Files, 751G.00/8–255. Secret; Priority. Drafted by Byrne and cleared in PSA and FE. Repeated for information to Paris, London, Ottawa, New Delhi, and Canberra.

[2] In this telegram, August 2, the Embassy reported that Foreign Minister Vu Van Mau foresaw great difficulties in his government's replying to Dong's letter of July 19. (*Ibid.*)

[3] See footnote 3, Document 233.

[4] According to this telegram, July 27, the suggestion was "Mr. Pham Van Dong at Hanoi". (Department of State, Central Files, 751G.00/7–2755)

[5] On August 9, the Republic of Vietnam broadcast a reply to the Dong letter which reiterated previous declarations that South Vietnam was not bound by the Geneva Accords and that conditions for free elections did not exist in the North. Vu Van Mau sent copies of this declaration to the British Ambassador and General Jacquot with the hope that they would "be able to bring this text to attention of the Vietnamese residing north of 17th parallel." (Telegrams 679 and 680 from Saigon, August 10; *ibid.*, 751G.00/8–1055)

Text of the declaration is also printed in Cameron, *Viet-Nam Crisis*, vol. I, pp. 389–390.

241. Telegram From the Chief of the Military Assistance Advisory Group in Indochina (O'Daniel) to the Commander in Chief, Pacific (Stump)[1]

Saigon, August 9, 1955—10:30 p.m.

MG 742A, 091330Z. References: DEPTAR (OSD) 292146Z cite Defense 985882,[2] CINCPAC msg 302231Z[3] and US Embassy Saigon msg 186,[4] CINCPAC msg 302116Z.

This msg answers ur 082027Z and is reply to ur 302116Z.[5]

Req early approval of increase in auth strength of Vietnamese armed forces to 150,000 plus 10,000 sect forces for bal of CY 55, 150,000 incl sect forces by 1 Jul 56 and for bal of CY 56. Proposed forces of 150,000 would incl 4 fld divs (85,000 ea), 6 light divs (5,500 ea) and 13 territorial regts (1,625) plus approximately 4,000 Air, 4,000 Navy and 5,000 civ employees. Justification in order of points contained in referenced DEPTAR msg follows:

A. Fol changes in mil situation have resulted fm reduction of FEC during past year and the probable future phase out of most French Union ground forces: (*Note:* French strength 1 Aug 55—approx 60,000 fol evacuation of 12,500 in Jul. Planned strength for 1 Oct 55—35,000).

(1) Virtual elimination of the FEC as a force to deter and resist aggression. Three major factors support this:

> (a) French lack of incentive is evidenced by repeated statements by French officials to effect that "never again will we fight, on our own, either the Viet Minh or Vietnamese except in self defense." French can see no future in sacrificing French lives in a country that is outside the French empire. There is a probability that French could and would contribute

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[1] Source: Department of State, S/P–NSC Files: Lot 62 D 1, NSC 5519 Series. Top Secret; Priority. Repeated for information to the Secretary of Defense and the JCS.

[2] See footnote 9, Document 239.

[3] This telegram to the Secretary of Defense, dated July 30, was an interim assessment of ChMAAG's request for an increase of Vietnamese armed forces from 100,000 to 150,000. In it CINCPAC concurred fully in the proposed increase for three reasons: the virtual elimination of the French as a major force to deter and resist aggression; the reluctance of Vietnam to further reduce forces; and lastly and mostly importantly, the need to contain the "internal threat to security of friendly government." The last paragraph of the message reads:

"I consider it most necessary that mission Vietnamese forces include potential capability of deterring aggression and delaying Viet Minh attack for same reasons stated Saigon 186 [Document 227] and because later implications Manila Pact. To fail to do so invites Viet Minh aggression and fails to gain full value of US support to Vietnam. Consider fully justified by changes situation; i.e., probable French withdrawal, present military situation and vastly improved Vietnam posture over recent months." (JCS Records, CCS 092 Asia (6–25–48)(2))

[4] Document 227.

[5] Neither found.

air and naval spt to combatting Viet Minh over aggression if subj French forces were committed under SEATO auspices.

(b) Increased pressure by Vietnamese govt on French to withdraw all mil forces. It is expecting that for the coming Vietnamese-French negotiations will see the Vietnamese govt requesting a phased French withdrawal of all forces except a tng msn, with all ground forces withdrawn by 1 Apr 56 and air and naval forces by 31 Dec 56.

(c) French need for ground forces elsewhere, primarily N Africa, and the fact that the French govt has given indications of favoring early evacuation of French forces fm IndoChina, limited in time only by mil requirements for properly planned and efficiently implemented mil evacuation. Despite probability French troops would not actively oppose Viet Minh aggression, nevertheless French force constitutes a deterrent to Viet Minh aggression. Elimination of this deterrent would increase possibility of Viet Minh attack unless otherwise offset by compensating deterrent factor associated with Vietnamese forces.

(2) There will soon be no force in Vietnam capable of blocking external aggression sufficiently long to allow arrival of outside aid and the mobilization of additional Vietnamese forces. It is believed a Vietnamese force of 150,000 properly organized and trained and supported by avail French navy and air would have this blocking and delaying capability.

(3) French withdrawal has resulted in only a token French force manning the NE border of Free Vietnam. If Viet Minh are to be denied free access to S Vietnam and the capability to build up Viet Minh subversive strength almost at will, local forces must be employed to guard the extensive borders.

B. The capability of the Viet Minh for subversive and paramilitary activities in Free Vietnam and probability of their exercising those capabilities within next year are as fol:

(1) Viet Minh have capability of

(a) Small unit to bn size guerrilla raiding and harassing operations and

(b) Clandestine terrorist attacks on installations and persons throughout S Vietnam.

These capabilities can be exercised on either sporadic or phased and cumulative basis. Reference capability (a), it is impossible to estimate accurate strength but Viet Minh can put armed forces of light battalion strength (250) into the field in rough terrain. Viet Minh can dominate areas in the foot hills and high ground in central Vietnam, hold trails in plateau area, hold trails along Laotian border for forces invading through back door, maintain bn forces along east bank of southern Mekong River and in the Plain des Joncs area. Viet Minh are in the process of organizing an intricate system of para-military and subversive elements throughout Free Vietnam. They have capability of increasing their underground forces three-fold over a six month period and can block all active support of the govt in all areas except the large cities unless strong counter action is taken by army or police. Ref capability (b), Viet Minh terrorist activities currently directed by psychological, political intimidation, military Viet Minh possess covert orgn and means at any time to step up terrorist activities to point where it could seriously reduce confidence, prestige, Diem govt, both at home and abroad. Above two capabilities can be exercised separately or together or in conjunction with overt mil attack.

(2) The Viet Minh will probably confine their para-military activities to resisting efforts of Vietnamese natl army to destroy them until either hope of diplomatic or electoral victory in Jul 56 is denied them or a decision to attack militarily is made. Whenever conditions indicated that Jul 56 will not see a Viet Minh victory, the para-military forces will probably be heavily augmented in preparation for extensive guerrilla activity, and a clandestine terrorist campaign will be initiated.

C. The size of the Vietnamese national army necessary to maintain internal security is dependent in large measure on the popular spt given Free Vietnamese government. Popular spt is, in turn, largely dependent on size and capability of Vietnamese natl army. Internal security will never be firmly established until the people are willing to take individual and community action against Viet Minh and dissident elements. People will only act when fear of Viet Minh retaliation by either underground agents or external aggression is replaced by confidence that their govt has power to protect them and ensure their ultimate survival. With early withdrawal of French ground forces and in absence of SEATO force commitments, Vietnamese must rely on themselves to produce ground forces necessary to delay external aggression. When considered in this realistic manner, the forces required to establish and maintain internal security must incl force for delaying action. A Vietnamese natl army force of 10 divs (4 fld and 6 light) and 13 territorial regts, with a strength of 142,000 and stationed so that all areas of Free Vietnam are covered by military forces, is required to establish and maintain internal security in the true sense of the words. Force will permit planned integration of sect forces, continuance of operations against rebel elements, containment of remaining sect forces and in conjunction with effective civil security or police forces, the suppression and containment of both the para-military and the clandestine terrorist capability.

D. The following factors affect the speed with which Vietnamese natl army forces could reasonably be demobilized:

(1) Vietnamese Natl Army has already undergone a sizeable reduction since the Geneva truce.

(2) The Viet Minh have increased their forces from 341,000 on 20 Jul 54 to 367,000 at present; with the battle corps increasing from 147,000 to 250,000. (Latest reliable intelligence reports.)

(3) Free Vietnam faces a continuing war against the sects and the constant threat of subversive and/or guerrilla activities.

(4) Due to inexperience and lack of necessary machinery for demobilization and need for psychological adjustment of populace, it is considered physically impossible to demobilize below 150,000 and still retain any semblance of an effective force.

(5) Demobilization would add to recruiting potential of Viet Minh and sect elements and aggravate economic and internal security situation. In view of these factors, Vietnamese Natl Army speed of demobilization is considered to be: Reduce fm present strength of 146,000 plus sects to 142,000 including sects by 1 Jul 56. This strength to continue through remainder of FY 56. Impossible to estimate beyond 31 Dec 56, but reduction during that period must be considered in light of then existing situation.

E. The increased strength of Vietnamese Natl Army will add 1 fld and 3 light divs plus 13 territorial regts to presently auth 3 fld and 3 light div force. Functions are as fol:

(1) The 13 regts will assume basic mission of internal security originally planned for the 3 light divs. They will be trained as both a counter-subversive and a combat force and will form nucleus for 4 add combat divs when a civil police and security orgn is ready to relieve them of msn of ferreting out enemy's clandestine orgn and to assist in suppression of small size enemy para-military activities.

(2) The add 3 light divs and the 3 original light divs (reld of primary msn of internal security by 13 territorial regts) to have function of augmenting internal security forces in establishing and maintaining internal security. The 6 light divs stationed in key areas throughout S Vietnam, will give the Vietnamese a reasonably strong force that can be moved quickly into any trouble area with the ability to take repressive and retaliatory measures against Viet Minh and/or sect activities and through their presence offer a deterrent to Viet Minh disturbances. In case of external aggression the light divs can augment the delaying forces. The presence of these divs forms a base for favorable political action.

(3) The add fld div gives balance to the Vietnamese Natl Army and will have the function of adding its forces to third echelon of defense against internal aggression and first echelon of defense against external aggression as required and allowed by situation.

F. Determination of a finite answer is to the effect the requested increase in force levels would have on the availability of excess stocks of mil equip in S Vietnam is affected by the facts that [*sic*] (1): Excess property reports to date have been based on a MAAG estimate of a possible Vietnamese troop strength of 150,000 and

(2): There is much salvage or unserviceable property that cannot be applied against requirements of any size force. However it is estimated that the requested force strength increase will raise requirements approximately as fol: Gen purpose vehicles—20%; Weapons (individual)—35%; Ammunition—35%.

In general, requirements for the requested increase can be met with stocks on hand, with sufficient stocks remaining to satisfy needs of Laos and Cambodia and making available to other Vietnam govt agencies the necessary weapons and equip to provide for a civilian security force of not exceeding 25,000; should such a force be decided upon.

It is my seriously considered view that Free Vietnam is at the critical point in its fight for freedom. The foundation has been laid for a strong government and society which offers opportunity for developing the loyalty of its citizens to the point where partisan warfare or resistance against the internal as well as external invader will be accepted as every man's duty and obligation. The Vietnamese people are ripe for an active change away from the Viet Minh and toward the Free Vietnamese government. A position of military strength is basic to the attitude necessary for popular support of the Diem govt. Present circumstances and attitudes dictate unequivocally that a Free Vietnam armed strength of 150,000 through CY 56 is the minimum for the job to be done.

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242. Telegram From the Commander in Chief, Pacific (Stump) to the Department of the Army[1]

Pearl Harbor, August 10, 1955—12:23 p.m.

102223Z. For OSD. DEPTAR (OSD) 292146Z cite DEF 985882.[2] CINCPAC interim reply contained my 302231Z Jul[3] which continues valid and is integral part CINCPAC finalized response to OSD query. Specifically wish to emphasize last para thereof wherein recommendation is made that mission Vietnamese forces include potential capability of deterring aggression and delaying Viet Minh attack.

By his 091330Z cite MG 742 A PASEP,[4] ChMAAG Indochina replied to all points contained in referenced OSD msg. CINCPAC considers this reply to be fully comprehensive and fully justifies increase in authorized strength of Vietnamese armed forces. CINCPAC fully concurs in ChMAAG reply and strongly recms approval of recommendations contained therein. This reply is in consonance with and complements CINCPAC interim reply.

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[1] Source: Department of State, S/P–NSC Files: Lot 62 D 1, NSC 5519 Series. Top Secret; Priority. Repeated for information to CNO, JCS, and ChMAAG Vietnam.

[2] See footnote 9, Document 239.

[3] See footnote 3, *supra*.

[4] *Supra*.

Lt Gen O'Daniel, perhaps more than any other individual, has a keen understanding and immense appreciation of the situation in Indochina to include an intimate knowledge of the Vietnam will and ability to succeed. I repose the utmost confidence in his judgment and consider that prompt and full support in implementing his recommendations will be in the best US interest. I specifically refer to his closing comments commencing "It is my seriously considered view, etc,". I endorse this view and urge that this be the overriding consideration in approval action on his recommendations.

Specific comments referring lettered paras referenced OSD msg fol: Paras A, C, D, and E are adequately covered in my interim reply and ChMAAG Indochina's recommendations. . . . Following is also pertinent: The Viet Minh are capable of: A. Undermining the stability of the Vietnam Govt and B. of aiding an overt invasion by Viet Minh military forces, through subversion and para military activities, by instigating large scale disturbances, interdictions, sabotage, espionage, and large scale industrial trouble and uprisings. The back bone of the Viet Minh subversive effort was left behind at time of withdrawal of Viet Minh military forces beyond the 17th parallel. For the foreseeable future, it is estimated that Viet Minh will concentrate on subversion, by creating unrest and sabotage efforts to improve its position and accomplish capability A above and to lay the groundwork for aiding an invasion if and when it comes. There is no Communist party or front group operating overtly in South Vietnam, although Viet Minh political activity is widespread in the rural areas in the form of cells, sport groups, farmers associations, etc. The Viet Minh political apparatus in the south will necessarily undergo some reorganization as the situation changes.

In addition, following details advise as to dissident sects in Vietnam and point up forces necessary for their containment: The Hoa Hao forces in Southwest Vietnam under control of Ba Cut number approx 2000. This number could be increased to over 6000 if the forces formerly under control of Soai and Nguyen were integrated. The VNA is at present employing approx 20000 troops against the Hoa Hao. This number is broken down into 6 groupments, 1 regiment and 2 artillery bns. The Binh Xuyen forces number approx 3000 located south of Saigon in the Long Thanh–Baria area. 1800 of these forces are trained military pers. As many as 11 bns of approx 6000 troops of the VNA have been employed against the Binh Xuyen, but at present there is no organized force being employed. A small number of small naval craft of the VNA navy are available in this area. The Cao Dai originally numbered approx 30000 troops, of whom all but 7000 are reported to have integrated in the VNA. The VNA is not opposing the Cao Dai at this time. Approx 10000 Viet Minh are reported scattered throughout all of Vietnam.

Reference para F: Generally speaking, ChMAAG's comments are correct in saying that the majority of MDAP equipment required for these forces can be provided from excesses. However, it must be recognized that shortages of considerable magnitude will exist in requirements for certain selected line items: Mainly electronics and some individual equipment, some of which are costly items. The dollar total involved, although not insignificant, is relatively minor when considered in relation to the overall cost of MDA programs for the Associated States and in comparison to the DFS and DS costs involved which represent by far the major dollar cost of this force to the US.

The following is also applicable: Additional costs of forces as proposed should be funded without jeopardizing the proposed programs for other countries in the PACOM. Magnitude of the cost not clear, however, as Vietnam operating on budget with deficit largely underwritten by US, it appears that total cost of support of all additional forces must be borne by US. Further, value of MDA material excess to 100,000 man force has been considered as being available to satisfy approved requirements in other countries and entire programming process based on this concept.

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243. Memorandum From the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Secretary of State[1]

Washington, August 10, 1955.

SUBJECT

MAAG Saigon Personnel Ceiling

The Department of Defense again is attempting to obtain from the Department of State concurrence to the assignment of personnel to MAAG, Saigon, in excess of the 342 ceiling at the time of the Geneva Settlement.

Defense thinking appears to be as follows:

(a) The United States should not "gratuitously place restrictions on the manner in which it chooses to carry out the replacement of military personnel under the 342 ceiling."

(b) Personnel on TDY to MAAG regardless of duration of such duty should not be considered as part of MAAG strength.

(c) Replacement overlaps should not be chargeable to the ceiling.

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[1] Source: Department of State, Central Files, 751G.5–MSP/8–1055. Secret. Drafted by Lewis M. Purnell of PSA and cleared by Bell and Sebald.

Although a memorandum from General O'Daniel[2] states that our Embassy at Saigon concurs in his recommendations, Mr. Randolph Kidder, who was Chargé at that time, states that the position of the Embassy was that it could not concur in the absence of Department policy guidance.

In view of the assurances you gave Mr. Eden in Paris last December and our belief that at this time we should not invite criticism from the ICC and our allies by our disregard for the spirit and intent of the Geneva settlement,[3] I believe we should assume that military personnel assigned to MAAG and in Viet-Nam, no matter what their designation, should be within the 342 ceiling. In answering the Department of Defense inquiry,[4] I should appreciate your guidance and comment on our proposed answer which is as follows:

a) We cannot approve the Department of Defense suggested guide lines in toto.

b) To avoid accusations of purposefully trying to sabotage the Geneva Settlement, military personnel actually present in Viet-Nam should not exceed the 342 ceiling.

c) Military personnel assigned but not actually present need not be counted against the ceiling.

d) Overlaps when essential and of short duration might be justified.

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[2] A copy of this memorandum to CINCPAC, May 23, is attached to a memorandum from Brigadier General J.K. White, Director, Office of Military Assistance Programs, Department of Defense, to Robert C. Hill, Special Assistant to the Secretary of State for Mutual Security Affairs, July 13. (*Ibid.*, 751G.5-MSP/7-1355)

[3] This was the view of members of the Legal Adviser's Office of the Department of State, according to a memorandum from Katherine B. Fite and John P. Furman to Purnell of PSA, July 26, also attached to the memorandum from White to Hill, July 13.

[4] On August 12, Robertson replied to the memorandum by General White, July 13, as follows:

"The Department of State cannot approve in toto the guide lines set forth in the letter from Chief, MAAG, Saigon, attached to Department of Defense Memorandum of July 13, 1955.

"In order to avoid inevitable accusations of purposefully trying to sabotage the Geneva Settlement, it is believed United States policy with regard to MAAG personnel should be such that the number of military personnel actually present in Indochina at any given time should not exceed 342 persons, the number called for in the table of organization at the time the Geneva Accord was signed.

"Military personnel, including mobile training teams assigned on temporary duty mentioned in your memorandum of April 25, 1955, would appear to fall within the overall numerical limitation. Military personnel not actually present in Viet-Nam, whether carried on Saigon rolls or not, need not be charged against the 342 maximum. Replacement overlaps which result in personnel excess over the ceiling should not be encouraged. However, overlaps when considered essential to the effectiveness of MAAG operations and if held to the shortest possible duration might be justified.

"While there may develop some flexibility in the interpretation of the Geneva Accord with respect to United States military personnel, since such personnel is not specifically covered by the Agreement and the United States is not a signatory, it is believed desirable that we pursue at this time a policy which accommodates the spirit of the Geneva Settlement." (Department of State, Central Files, 751G.5-MSP/7-1355)

e) Some flexibility may later evolve but at this time it appears desirable to pursue a policy which can accommodate the spirit of the Geneva Settlement.

Approve: J[OHN] F. D[ULLES]

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244. Memorandum From the Executive Secretary (Lay) to the National Security Council Planning Board[1]

Washington, August 16, 1955.

SUBJECT

U.S. Policy in the Event of a Renewal of Aggression in Vietnam

REFERENCES

A. NSC 5429/5, para. 5–d[2]
B. NSC 5519[3]
C. NSC Action No. 1415[4]
D. Record of Planning Board Meeting, August 15, 1955, Item 1[5]

At its meeting on August 15, 1955, the NSC Planning Board adopted the enclosed report calling for various studies on the subject, required to carry out NSC Action No. 1415–c.

The enclosure is accordingly transmitted to the Planning Board for information and to the State, Defense and ODM Members and the JCS and CIA Advisers for implementation as indicated in paras. 4 and 5 thereof.

James S. Lay, Jr.

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[1] Source: Department of State, S/P–NSC Files: Lot 62 D 1, NSC 5519 Series. Top Secret.

[2] For text of NSC 5429/5, "Current U.S. Policy in the Far East", December 22, 1954, see *Foreign Relations*, 1952–1954, vol. XII, Part 1, p. 1062. Paragraph 5–d is printed in the enclosure below.

[3] Document 190.

[4] See footnote 3, Document 206.

[5] Not printed. (Department of State, S/P–NSC Files: Lot 62 D 1, NSC Planning Board, Record of Meetings)

[Enclosure]

Report by the National Security Council Planning Board[6]

U.S. POLICY IN THE EVENT OF A RENEWAL OF AGGRESSION IN VIETNAM

1. NSC Action 1415, June 9, 1955 noted that U.S. policy in the event of a renewal of hostilities by the Communists in Vietnam would be governed by the provisions of paragraph 5–d of NSC 5429/5 pending a review of that paragraph by the Planning Board. Paragraph 5–d of NSC 5429/5 reads:

> "In the event of Communist overt armed attack in the area covered by the Manila Pact prior to the entering into effect of the Pact, take actions necessary to meet the situation, including a request for authority from Congress to use U.S. armed forces, if appropriate and feasible. When the Pact is in effect, be prepared to oppose any Communist attack in the Treaty area with U.S. armed forces if necessary and feasible, consulting the Congress in advance if the emergency permits."

2. There is a possibility that the Vietminh, possibly in connection with the election issue, may embark on a course of more forceful action against South Vietnam. While such action might take the form of infiltration and insurrection within South Vietnam, it could also take the form of overt aggression across the armistice line. In the light of this possibility, and in connection with the review of paragraph 5–d of NSC 5429/5, it is necessary to consider what action the U.S. should take in the specific case of such overt aggression. Key factors bearing on this decision include U.S. capabilities for action in relation to the aggressor's capabilities, as well as the implications and effects of such action at home and abroad, including the deterrent effect of a U.S. decision to intervene against the aggressor. These key factors should be the subjects of special studies as outlined in greater detail below.

3. The studies should be based on the following assumptions, which are for planning purposes only:

a. It is the objective of the U.S. to deter possible Vietminh aggression against Vietnam or, in the event such aggression takes place, to intervene swiftly and decisively, in a manner and on a scale best calculated to avoid the hostilities broadening into general war.

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[6] This report was initially prepared in S/P in consultation with Young and then revised by the NSC Staff and Board Assistants for submission to the Planning Board. The drafts as prepared in S/P and submitted to the Planning Board, August 2 and 10, respectively, are *ibid.*, NSC 5519.

b. The Vietminh attack is by overt armed forces across the armistice line, of such a character that it can clearly be labeled as aggression and is generally regarded as such by free world opinion.

c. South Vietnam is developing and can continue to develop the necessary strength referred to in paragraph 2 of NSC 5519, i.e., strength "to deter or defeat Vietminh insurrections in its territory, to impose and sustain order in its territory, and to win a free election limited to its own zone and held under its own auspices and control."

d. Although the Manila Pact is invoked, the French Expeditionary Corps takes no part in the fighting aside from such action as may be necessary for its own protection, and other signatories of the Pact provide only minor military contributions, thus leaving the main burden on the forces of South Vietnam and the U.S.

e. South Vietnam forces are of the same strength as at present.

f. Vietminh capabilities are as estimated in NIE 63.1–55.[7]

g. Communist China does not intervene with military forces, except possibly in the event of para. 4–a(2) below, but provides aid to the Vietminh in the form of supplies.

4. The following specific but brief studies should be prepared as promptly as possible:

a. By Defense and JCS, a study (to be completed by September 15 or as soon thereafter as practicable) of U.S. military operations required—with the use of nuclear weapons and alternatively without such use—(1) to repulse the aggression and punish the aggressor or (2) to destroy the Vietminh forces and take control of North Vietnam. This study should indicate the nature and duration of operations, the forces and logistic support required and their availability, and the effects upon other U.S. military commitments. Preparatory military steps which might be taken, both as preparation for action and as a deterrent through manifestation of U.S. capability and resolve to intervene swiftly and effectively, should also be indicated.

b. By State, a study of the political and economic measures which would be required in support of the operations in a above, including preparatory steps which might have a deterrent effect.

c. By CIA, an estimate of the deterrent effect on the Communists of a known U.S. decision to intervene against Vietminh aggression.

d. By ODM, a study of the mobilization requirements for support of the actions in a above.

5. In addition, CIA should review and consolidate estimates of the effects of U.S. failure to intervene in the event of overt, armed attack by the Vietminh across the armistice line.

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[7] See Document 237.

245. Memorandum From the Deputy Assistant Secretary of State for Far Eastern Affairs (Sebald) to the Secretary of State[1]

Washington, August 16, 1955.

SUBJECT

Revision in Force Levels and Costs for Vietnamese Military Forces

The JCS will soon be considering a proposal from the country team Saigon for a force level for the Vietnamese armed forces of 150,000.[2] This would represent an increase of 50,000 above the level recommended by the Collins Mission.

Several factors point to the need for increased forces for Vietnam:

1. French forces in Vietnam are being reduced faster and to a lower level than anticipated.
2. Absence of any definite Manila Pact force commitments. However, a force of 150,000 in South Vietnam would increase capabilities to delay any Viet Minh advance in the initial stages of any invasion from the North, and constitute a significant deterrent to such armed invasion.
3. Need for Free Vietnam strength in year ahead. One of the principal supports of Diem has been the national army. The previous schedule of rapid demobilization in order to bring the force level down to 100,000 proved to be impossible because of the unforeseen open warfare with the sects, the need to integrate additional sect forces into the national army, and the problem of resettling discharged military personnel and their dependents. In addition, an increased force might be able to take care of any Viet Minh armed uprising in the South, and would certainly continue the trend toward a relatively more favorable power ratio in the South.

MAAG Saigon estimates that a force level of 150,000 in 1956 will cost $80 to $100 million more than a force of 100,000 was estimated to cost. Provided the original request for 1956 funds for Vietnam was not cut, the additional requirement for funds for the Vietnamese forces could be met from existing appropriations, if the following were earmarked for Vietnam:

1. $50 million the Administration requested from Congress for the French forces in Indochina. This fund should be transferred to the support of the Vietnamese forces, which will now be performing the function originally envisaged for the FEC. At present, ICA is

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[1] Source: Department of State, Central Files, 751G.5-MSP/8-1655. Secret. Drafted by C. Hoyt Price of PSA and cleared by PSA and FE. Murphy, Merchant, and George S. Newman of S/MSA indicated that they concurred with the recommendation in this memorandum.

[2] For the JCS comments, see Document 247.

considering using these funds as part of a reserve fund for Asia as a whole.

2. $25 to $40 million carryover of unspent balances obligated for support of the Vietnamese army in calendar year 1955 (FY 1955 funds).

3. $3 to $35 million carryover of unspent balances obligated for support of the Vietnamese army in calendar year 1954 (FY 1954 funds).

In addition, if necessary, financing the Vietnamese forces could be converted from a calendar year 1956 to a fiscal year 1956 basis. The foundation for such a change was laid in the Congressional testimony, and would reduce the needs for FY 1956 funds by approximately $100 million. However, if such a change were made, it would have to be presented in a way not to give the Vietnamese the impression we were planning aid only up to June 30, 1956,—20 days prior to the Geneva date for nation-wide free elections.

If it is decided that sufficient justification exists to reduce aid to the FEC below the $100 million figure now obligated for that purpose, those funds could be reprogrammed for other purposes. Therefore, it is not necessary to await a decision on the issue of aid to the FEC in 1955 in order to express our support for a higher force level in Vietnam.

Recommendation:

That the Department support the proposal of the Saigon country team for increased forces in Free Vietnam, and that Mr. Murphy so inform JCS at the next meeting of JCS.

Approve: J[OHN] F. D[ULLES][3]

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[3] The Secretary approved this memorandum with the following handwritten comment: "Primarily on the basis of Point 3, I am sceptical about validity of 1 and 2."

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246. Memorandum of a Conversation, Saigon, August 18, 1955[1]

CONVERSATION WITH PRESIDENT NGO DINH DIEM

PRESENT

Senator Mansfield and Valeo[2]

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[1] Source: University of Montana, Mansfield Papers, Series XXII, Box 95, 1955 Indochina S.E. Asia Personal. Drafter not indicated.

[2] Mansfield and Valeo were in Vietnam for approximately one week in the course of a trip to Southeast Asia.

The President spoke of the current census and stated that it had a dual purpose: first, the preparation for the anticipated elections in south Viet Nam and, second, for conscription. He said that the Army, which was slightly larger than 150,000, now would be reduced to that number and that there was a need to bring in "fresh blood", so as to relieve some of the older men who had extensive family obligations. He felt that conscription after the census would make this possible.

In discussing the problem of the sects, the Prime Minister said that he felt that for all practical purposes the dissidents had been defeated. This was not to say that they were not continuing to conduct operations. Ba Cut and Tran Van Soie [*Soai*] in the West were still at large. Both had extensive financial resources which they had extorted from the peoples. Bay Vien, Diem said, possesses hundreds of millions of piasters from his revenues in connection with the drug trade, prostitution and other forms of vice. He is still in control of a section of the river somewhat downstream from Saigon.

At the present time Diem has some regiments deployed against Ba Cut and Tran Van Soie. He feels that as soon as he obtains sufficient naval craft he will be able to eliminate Bay Vien. The naval craft presumably would come from the French.

As for communist strength in the countryside, he believes it has been reduced by some 50 percent.

In connection with the Western provinces previously controlled by Ba Cut and Tran Van Soie, that is, the Hoa Hao the Prime Minister said that he had visited these areas and that he was appalled by what he had seen. He said that neither in the north nor the central areas of Viet Nam was there any situation to compare with it—so thoroughly and so completely had the peoples in the Western provinces been exploited. In his view, the dissidents could no longer count on any support to speak of from the indigenous inhabitants of that area.

President Diem spoke of a French parliamentary mission headed by Ferdinand Dupont (?) who came to Saigon at his invitation to consider the plight of French nationals still in the country. In an oral report the Commission said that there were three types of French residents in Viet Nam at the present time: (1) Those whose business and skills were still needed in Viet Nam and who could make a living. For them the Commission concluded the best thing would be to stay on; (2) the small proprietors, dance hall, bar cabaret and restaurant operators and retailers who had developed out of the colonial economy and who now found themselves without customers. The Commission felt that the answer for them was to pull up stakes and go back home to France. Some were taking the step; others were reluctant to do so; and (3) the petty functionaries who had had jobs in the French colonial service and who were now without employment. They apparently are reluctant to go home, but the Commission thinks that this is their only answer. They have no particular skills, no particular abilities, at least no trained abilities, and as long as they remain in Viet Nam they are receiving some help from the French Government in the form of social security.

As for the second type discussed above and to some extent the third type, Diem felt that the Commission's conclusion that they should go home was sound. He pointed out that some were taking to illegal practices, getting involved in the drug trade, robbing, etc. and this was likely to increase as time went on. He said that they were already arresting several a week.

As for the French army, Diem said that it was being phased out in Indochina. He expected that it would be down to 30,000 by next March. He had no objections to the French navy and air forces remaining. On the contrary, he believed they should remain to conduct the training of comparable Vietnamese forces. He pointed out that the French dilemma was that it was a guarantor of the Geneva armistice which made it necessary for them to keep troops in the country to carry out its terms. And yet France was committed to the withdrawal of its troops. This dilemma apparently remained, and he offered no solutions.

Diem's chief concern with the French military forces appeared to center on G–2, military intelligence, which he believes is the most detrimental influence of France in the country, because of its tie-up with the opium traffic. Diem spoke at length on the nature and degree of the tie-up. He pointed out that the French air force and other forms of transport were involved. There was, he said, a considerable movement and re-deployment of French military forces which in his opinion had no visible military purpose. The implication he left was quite clear: that these movements were connected with the narcotics traffic. He mentioned in this connection the battle of Dienbienphu and the deployment of French troops in Laos which he said was concerned primarily with preventing the opium harvest from falling into communist hands. He said that his war against the sects was really a war against opium.

On the diplomatic side, Diem said that relations with France were shifting to a diplomatic basis. He pointed out that the Minister for the Associated States in the past will become a Minister of the Army in the French Ministry of Defense. He believed this was a face-saving device to bring about the closing up of the Ministry for the Associated States.

When Hoppenot, the new French Commissioner, was appointed, he raised with Diem the question of whether he should take protocol precedence over the rest of the diplomatic corps in Saigon, pointing out that he did not believe the other countries would object. Diem felt, however, that he could not make this arrangement for fear of giving the Vietminh any excuse for claiming that the Saigon government was still under the domination of France.

Diem stressed that for the past year he has had to deal essentially in negatives. The problem was one of consolidating his authority in rooting out the dissidents and of making the government a going concern. Now he felt Viet Nam was entering a new and a constructive phase. He read from a piece of paper parts of their plans for economic development. He pointed out that in this phase it was necessary to deal with the serious social problems of the country and especially with the problem of the land. The program which he outlined in general followed that of most of the other countries of this area. He mentioned that he had some difficulty with the large French estates which had a considerable number of Vietnamese workers. He was trying to get the general principle accepted of 15% for rent, 85% for the worker of the land who would be settled on plots adequate to support himself and his family. One aspect of the plans involves securing control over the river barges which transport rice in Saigon. At the present time this trade is controlled by the Chinese, and Diem apparently desires to have it in Vietnamese hands on the grounds that so long as the Chinese control it they also in effect control the price of rice.

Diem spoke of a financial problem which seems to be the key difficulty at the present time with the French. Many of the French here apparently are anxious to get their capital out of the country as rapidly as possible. Diem, on the other hand, does not want any such rapid flight for fear of its inflationary effects.

He pointed out that the French had also a Technical Assistance and Economic Aid Program which he was not adverse to accepting except on the specific terms which the French asked. They offered a certain amount of money for the program with the stipulation that it would be used immediately to permit other French here to remit their capital to France. Diem felt that if this were done, his only alternative then would be to issue additional currency with consequent inflationary effects.[3]

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[3] Mansfield and Valeo also held conversations on August 18 with Foreign Minister Vu Van Mau and with both Ambassador Reinhardt and Counselor Melcy. Memoranda of conversations are not printed. (University of Montana, Mansfield Papers, Series XXII, Box 95, 1955 Indochina S.E. Asia Personal)

247. Memorandum From the Joint Chiefs of Staff to the Secretary of Defense (Wilson)[1]

Washington, 19 August 1955.

SUBJECT

Revised Force Bases for Vietnam.

1. Reference is made to:

a. ChMAAG, Indochina message MG 742 A, DTG 091330Z August 1955.[2]
b. CINCPAC message DTG 102223Z August 1955.[3]

2. This memorandum is in response to the memorandum by the Acting Assistant Secretary of Defense (ISA), subject as above, dated 29 July 1955,[4] in which he requested the views of the Joint Chiefs of Staff on the Country Team, Indochina's recommendation to increase the force bases for Vietnam, and, in so doing, consider and present views on six specific points.

3. The Joint Chiefs of Staff have reviewed the comments and recommendations of CINCPAC contained in the message referred to in subparagraph 1 b above concerning this matter. They consider that CINCPAC has correctly assessed the situation in South Vietnam and has adequately answered the six points raised in your memorandum. The Joint Chiefs of Staff recommend that the force bases proposed by the Country Team, Indochina, be supported through FY 1956, with a review of the force bases for FY 1957 to be made at a later date.

4. In view of the presently limited funds available for MDAP in FY 1956, the Joint Chiefs of Staff consider that approval of the foregoing recommended action should be contingent on obtaining the additional funds required for an increase to South Vietnamese forces from sources other than MDAP end-item matériel and Direct Forces Support funds.

For the Joint Chiefs of Staff:
Arthur Radford
Chairman
Joint Chiefs of Staff

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[1] Source: Department of State, S/P–NSC Files: Lot 62 D 1, NSC 5519 Series. Top Secret.

[2] Document 241.

[3] Document 242.

[4] Document 239.

248. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, August 24, 1955—11 a.m.

900. Reference: Deptel 411 sent Paris 474.[2]

1. Re questions raised in paragraph 2 reference telegram, MAAG believes that providing present plans for reorganization, regrouping and training (under 150,000 force concept) are approved and implemented, VNA has potential for increasing capabilities to extent necessary substantially to replace French ground forces even if latter withdrawn as quickly as is physically possible. By end 1955 MAAG estimates VNA should have capability maintaining internal security and constituting mobile blocking force against external aggression, which supported by available French air and navy, would have certain delaying capabilities against Viet Minh aggression. MAAG's position has been and remains that, from military point of view, minimum French force of two combat divisions with balanced combat and service support should be retained in Vietnam at least until end 1955. In light of Vietnamese attitude toward continued presence FEC, however, and French reluctance to fight in Vietnam, we believe U.S. should accept whatever agreement is reached on FEC in Paris in current negotiations between French and Vietnamese. It will probably not be physically possible to withdraw French ground forces before the end of 1955 even if desired by both parties, and it is understood that Vietnamese recognize desirability retaining French air and navy until late 1956.

2. Re questions raised in paragraph 3, reference telegram, there exists adequate inventory MDAP equipment showing items in hands French and Vietnamese. Return to U.S. control of MDAP matériel no longer required for purposes for which it originally made available is governed by Minutes of Understanding signed December 1, 1954, by Generals Collins and Ely. Release of matériel proceeding in accordance capability local forces to take it over, and matériel not required by forces in Indochina, which is being released by French to U.S., is being redistributed outside Indochina. In accordance with above minutes removal MDAP matériel from Indochina requires U.S. consent,

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[1] Source: Department of State, Central Files, 751G.00/8–2455. Secret. Repeated for information to Paris.

[2] In this telegram, August 5, the Department of State noted that the FEC in Vietnam was to be reduced to 30,000 by October 1955 and that this could provide justification for the United States reopening the question of the $100 million in U.S. aid for the FEC. The Department also asked whether the VNA could maintain internal security in light of rapid French withdrawal, what the Embassy considered to be a desirable level for French forces in Vietnam, and what the status was of MDAP equipment in Vietnam. (*Ibid.*, 851.10/7–3055)

and departing FEC units have been taking only equipment belonging to France. In general there are adequate supplies of MDAP equipment to equip recommended Vietnamese force of approximately 150,000 as well as forces of Cambodia and Laos as now contemplated.

Reinhardt

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249. Memorandum of a Conversation, Phnom Penh, August 25, 1955[1]

CONVERSATION WITH COL. WILLIAM TUDOR[2]

PRESENT

Senator Mansfield and Valeo

Tudor said that we were now backing Diem solidly. Just prior to the Sect war, however, Collins (advised by Paul Sturm) reposed complete confidence in General Ely without giving sufficient regard to the fact that the French general was operating on instructions from Paris. Since French policy was to eliminate Diem, Collins tended to play along with that policy and we came close to undermining the Viet Namese premier.

When the Sect war broke out, Collins was in the United States and Randolph Kidder was in charge. The State Department requested a report from Saigon and a country team meeting under Kidder recommended support of Diem.

Since that time support has been consistent for Diem and he is growing in strength and self-confidence. As for complaints that he cannot tolerate strong leaders in the Government, Tudor pointed out that "strong leaders" particularly military in the past have been unable to refrain from seeking political power. In that context, his position may be understandable.

Barring an invasion from the north, there is a good possibility that Diem can consolidate in the south.

On Diem's attitude, Tudor says that he is very suspicious but that once he develops confidence and faith in someone, it is very complete. He believes Rhinehart [*Reinhardt*] is cultivating a good relationship with Diem.

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[1] Source: University of Montana, Mansfield Papers, Series XXII, Box 95, 1955 Indochina S.E. Asia Personal. Drafter not indicated.

[2] Air Attaché at the Embassy in Vietnam.

As for Laos, Tudor believes it untenable militarily but that there is not likely to be a major Communist Viet Minh attack unless it is part of International Communist strategy. He does not think we should get too deeply committed there. Technical aid and some financial support to keep the present government operative should be the extent of our involvement.

In Cambodia, Tudor believes we may be pushing too hard, and there is a danger that it will produce an anti-American reaction and push the Cambodians into all-out neutralism. The approach there should be to let them take more of the initiative in coming to us. The elections, he says, are a factor in the present attitudes, but there may be something more in the developing of anti-Americanism—our own approach.

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250. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, August 25, 1955—1:48 p.m.

664. Joint State–ICA message. For the Ambassador and Director, USOM.

1. We are concerned with lack of progress in agrarian reform in South Vietnam, as reported Embassy Despatch 453[2] and other reports believing agrarian reform one means strengthening government and administration of South Vietnam. Conversely, lack of progress in agrarian reform hinders development sufficient strength by Government in rural areas to gain real control over South Vietnam.

2. Since current rent reduction and land utilization program appears inadequate, even if adequately implemented, what seems to be needed is full scale agrarian reform, involving broad scale improvement of all economic and social institutions connected with farm life. We note Government has announced 300,000 piasters will be spent in each village for community center, to house communal council, secondary school, clinic, and information center. Also that Government is sending medical and social assistance, and is organizing an education campaign to increase literacy and extend knowledge of modern sanitary and hygienic practices. Is this adequate and suffi-

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[1] Source: Department of State, Central Files, 751G.00/6–1555. Confidential. Drafted by Price and cleared in PSA and in draft with both Jones and Raymond T. Moyer, Regional Director, Far East Operations, ICA.

[2] Document 210.

ciently deep rooted or would further measures be necessary gain support countryside?

3. It is our impression that land ownership and land redistribution program is an essential part of needed agrarian reform program in South Vietnam recognizing that such a program would raise difficult administrative and legal problems and alienate some groups and individuals who at present are supporting Government. Would these disadvantages more than offset gains to be realized from "land for the landless" program sponsored by Government?

4. Admitting agrarian reform could not be carried out in certain insecure areas in South Vietnam could not start be made in areas under Government control? What progress if any has agrarian reform made in areas taken over from Viet Minh administrative control? What role in an agrarian reform program would newly organized General Commissariat for Planning and Reconstruction and Bao An Doan (Security Protection Group) be expected to play? How could an agrarian reform program most effectively assist in refugee resettlement and re-establishment on land of South Vietnamese driven off during long period hostilities?

5. A broad scale agrarian reform program has had some measure success in other Asian countries, e.g., Community Development Program in Philippines, Community Development Program in India, and Chinese-American Joint Commission on Rural Reconstruction in Taiwan. Given current conditions in South Vietnam we would envisage that agrarian reform program in South Vietnam should be sole responsibility of Vietnamese Government, with advice and assistance from agencies of United States Government in Vietnam. Please comment.[3]

6. If your answers to above inquiries indicate your agreement on need for broad scale agrarian reform in South Vietnam, Ambassador may at appropriate time inquire of President Diem his present plans and intentions in this regard, and inform him of importance United States Government attaches this question. Ambassador may inform Diem that we recall that several months ago in connection with reform program discussed with Ambassador Collins, Diem stated that land distribution scheme would be put into effect following rent reduction and land utilization program. If you consider appropriate, an

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[3] In telegram 1332 from Saigon, September 20, the Embassy provided the following summary comments: (1) lack of enthusiasm for land reform by Vietnamese officialdom and lack of effective government administration were impeding agrarian reform program; (2) refugee resettlement added pressure for reform; (3) redistribution of ownership of land was not politically possible until after July 1956; and (4) security of tenure, rent reduction, and other assistance to tenant farmers could win rural support for the government, but to date such reforms were not being effectively instituted. (Department of State, Central Files, 751G.00/9–2055)

outline of desirable agrarian reform program could be prepared without indication of source which Ambassador could leave with President.

7. Memorandum agrarian reform being pouched.[4]

Dulles

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[4] Not found in Department of State files.

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251. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, August 25, 1955—8 p. m.

933. This is a country team message. References: (a) Department telegram circular 559;[2] (b) Embassy despatch 358.[3]

1. Continuing efforts have been made toward resolution problems of internal security discussed in ref desp. Although some progress achieved, much remains to be accomplished in this critical field. In collaboration with Vietnamese authorities and with assistance Michigan State University team, U.S. agencies Saigon have developed coordinated plan for organizing and training civilian security service. Part of program already underway, and remainder awaits Washington approval. In view of vital importance early establishment effective nationwide civilian security service as key to other civilian and military problems, country team strongly recommends approval of program and granting of funds and specific authorization requested in para 3 (a) and (d) below.

2. Atcs.—Vietnamese plan calls for:

(a) Establishment single security service under Ministry of Interior. Deputy Minister already designated Director Public Safety as over-all coordinator.

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[1] Source: Department of State, Central Files, 751G.00/8–2555. Secret.

[2] In the reference telegram, March 23, the respective chiefs of mission were instructed "to have the country team, including representatives from FOA, MAAG (or service attachés), . . . prepare a report on the possibilities and requirements for U.S. assistance in increasing the effectiveness of police-type forces to deal with communist subversion and, in those countries where communist subversion has reached the stage of actual or potential large-scale insurrection, increasing the effectiveness of the regular armed forces to deal with communist subversion and insurrections." (*Ibid.*, 700.5/3–2355)

[3] This despatch, April 28, in response to circular telegram 559, March 23, is not printed, but see footnote 4, Document 199.

(b) National organization to be composed three major subdivisions each with own director: National Police (garde civile)—strength 25,000; semi-autonomous municipal police forces—strength 4,000–6,000; Vietnamese Bureau of Investigation (sûreté)—strength 4,000.

(c) Division of responsibilities as follows:

> National—Normal law enforcement all areas SVN, excluding four major municipalities, to include counter-intelligence operation and counter subversive activities and nationwide police communications net.
>
> Municipal—Same for four major cities SVN.
>
> VBI—Common police services including counter-intelligence, biographic and fingerprint files and criminal lab; investigation and prosecution major crimes nationwide; enforcement immigration, customs, narcotics, alcohol and income tax laws; coordination counter-espionage operations.

3. In conjunction with this plan, we believe following measures necessary:

(a) Transfer without charge to any appropriation considerable quantities surplus MDAP equipment in Indochina and elsewhere to ICA/FOA for use Vietnamese national security services. (Current deficiencies police equipment highlighted by fact Saigon–Cholon police possess only six radio-equipped vehicles.)

(b) Maximum utilization within secure limits of all outside agencies (UK, Thai, Filipino) to expedite training and lower costs.

(c) Detail (on loan basis from U.S. Government agencies) or employment of 14 additional U.S. advisory personnel to augment 8 advisors currently employed under FOA/Michigan State University contract.

(d) Approval additional funds in following amounts: FY 56—$2,534,465, FY 57—$420,620 to provide for continued possible employment 14 advisors referred to above through FY 57. Breakdown FY 56 funds is: $545,465 to cover all costs additional U.S. personnel; $308,500 to cover specialized training Malaya, Philippines and employment 12–15 Philippine constabulary advisory group in Vietnam; $270,000 to cover purchase additional transportation not available through MDAP surpluses; $704,000 to cover vehicle operation and maintenance costs; $606,500 to purchase riot guns, revolvers, tear gas, ammo, etc., not available through MDAP surpluses; $100,000 to purchase criminal laboratory equipment.

4. To meet these additional expenses USOM/Saigon has reviewed the budget of MSU project and of public administration program and has found the means of providing eight of the additional personnel and $500,000 toward the other additional expenses outlined above. The proposed necessary adjustments which, if approved by ICA/W, will permit these additions are as follows:

(a) Recruitment of two additional police specialists already provided for in the MSU project.

(b) Substitution of police specialists for two public administration staff provided in MSU project but not yet recruited.

(c) Use of savings on transportation and certain local expenses to employ three additional police specialists by increase in personnel ceiling of MSU project without increase in total funds.

(d) Increase of one in personnel ceiling and increase of approximately $60,000 in budget of MSU project to compensate for assignment of Lindholm to special tax advisory project proposed in Toica 199[4] and use of the additional position to employ a police specialist.

(e) Allotment of $250,000 already earmarked in public administration budget for equipment purchase plus addition of $250,000 from other funds programmed for public administration but not yet committed.

5. This leaves gap of approximately $1,700,000 between program recommended above and funds available from present allotments. Despite urgency of police problem, we believe that present commitments plus additions recommended above represent maximum charge which should be made against existing economic aid funds. Current military expenditures are less than programmed military aid, and increase in police project could be financed from savings in military budget. (It should be noted, however, that if not used for police program these surplus funds would serve to meet part of anticipated short-fall in 1956 military aid funds.) . . .

6. Pending approval of program and funds, we are proceeding along following lines using present available funds in MSU contract plus presently available personnel from MSU, MAAG and Embassy:

(a) Improvement effectiveness Saigon–Cholon municipal police;

(b) Determination of extent of possible British, Thailand, and Philippine assistance and immediate utilization thereof within limits of available funds;

(c) Maximum possible utilization of MAAG-sponsored FAVN schools for specialist training (use and maintenance of military type communications equipment, vehicles, and weapons) and basic military-refresher training for national police and, where appropriate, weapons instruction for other police elements;

(d) Training of FAVN police personnel to fill (1) instructor requirements for police academy and roving instruction/inspection teams, and (2) key staff or command assignments all echelons security services.

7. Further details of program being forwarded by despatch 54.[5] In view of great expenditure of time in local review this project, which has resulted in reduction cost estimate from $5 million to $2.5 million for FY 56, we hope approval can be granted without much further delay.[6] If Dept desires we could send to Washington

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[4] Not printed. (Washington National Records Center, FOA–ICA Files: Lot W–130, FRC 57 A 248, Box 104)

[5] Not printed. (Department of State, Central Files, 851G.501/8–2955)

[6] Approval was granted in telegram 1221 to Saigon, October 10. (*Ibid.*, 751G.5–MSP/10–1055) This Department of State telegram was cleared with ICA and the Department of Defense.

local country team representative thoroughly conversant entire problem for presentation to State and OCB.

Reinhardt

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252. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, August 31, 1955—8 p.m.

1027. Reference: Department's telegram 681.[2]

1. Viet Minh circumspection in limiting post-Geneva activities in south to political action—leaving sabotage, terrorism, and [garble] opposition to disgruntled Nationalist elements—has permitted Viet Minh to operate so covertly and unobtrusively that probably only they themselves can accurately estimate their capabilities. French and non-Government Vietnamese observers usually ascribe omnipresence and great strength to Viet Minh political organization (cf Embassy despatch 55.[3]) Vietnamese Government spokesmen (even including Diem) frequently cite Viet Minh political strength as chief factor precluding National Assembly elections within free Vietnam. Government comments are confused, however, by tendency on one hand play down Viet Minh strength in order encourage Americans and themselves; and on other hand lump all anti-Government elements without distinction as "lackeys of Colonialists, Communists and Feudalists."

2. Viet Minh paramilitary (and stay-behind regular military) organization impossible describe satisfactorily because careful concealment. Army Attaché has transmitted to G–2 all reports received on this subject, including indications most provinces CVN, south of 17th parallel have approximately equivalent one company each of armed personnel in small, dispersed groups, with framework for organizing ASH companies; Binh Dinh–Phu Yen region having equivalent one battalion. Similar armed groups indicated SVN provinces but organizational picture unclear. Attaché officers feel VNA, despite best efforts, has not to date been able break up VM network of cadres left in place which designed to be filled out into units when and if needed; presumably projected strength is whatever VM feel

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[1] Source: Department of State, Central Files, 751G.00/8–3155. Secret.

[2] In this telegram, August 26, the Department asked for information on Viet Minh capabilities in the South, including strength by region, description of political apparatus, and paramilitary organizations. (*Ibid.*, 751G.00/8–2655)

[3] Dated August 24, not printed. (*Ibid.*, 751G.00/8–2455)

will be needed for job. Paucity of information concerning VM strength and activities according this view probably results largely from tightness of VM security and their political influence over population.

3. Political organization has emerged to surface in form "peace" and "mutual aid" front groups, most publicized in Saigon–Cholon but known to exist in other areas. Other reported front groups, particularly in rural areas, include religious-social groups centering around local Buddhist temples (utilized because of relative immunity from close Government supervision) and agricultural associations. Latter may have been used to promote suspicion of and opposition to such government measures as agrarian reform program and invalidation of torn currency; which is example of apparently minor item threatening become focus of anti-Government sentiment among farmers until Government backed down. All these groups are obviously appropriate channels for applying pressure along basic present line of Viet Minh "political struggle," i.e., demand for consultative conference and 1956 elections.

4. Regions reported most subject to Viet Minh political influence are poor sections Saigon–Cholon, ex-VM regroupment zones particularly Ca Mau and Plaine Des Joncs, foothill region between Annam and Haut Plateau, P.M.S. (reported more important as communications route and possibly resistance base than political action area), Bentre, Mytho, and Tudaumot provinces. However, this may well show only greater frequency of reports rather than actually greater extent of influence. Typical degree of reported influence is that in certain areas Bentre and Mytho local inhabitants refuse participate in anti-VM local government for fear of reprisals.

5. Viet Minh political organization proper is described as clandestine small-cell unit size-up, apparently relatively immune to anti-subversion and penetration efforts of national government agencies. Viet Minh "Politbureau" controlling at least Saigon–Cholon operations is most commonly reported to be located in rural area with easy communications distance of Saigon near Thudaumot or Cailay (according prevailing versions). Location of over all regional control agency (if such exists separately from foregoing) is unknown. Couriers to and from North Vietnam are said to travel by variety of means, crossing 17th parallel in refugee guise, on foot or in small vessels between coastal points.

6. Viet Minh personnel traveling in French aircraft made available ICC in connection Geneva agreements business allegedly also act as couriers.

Reinhardt

253. Memorandum From the Director of the Office of Philippine and Southeast Asian Affairs (Young) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)[1]

Washington, September 2, 1955.

SUBJECT

Events in Viet-Nam, August 15–September 2

Political:

Diem remains in control, with no powerful organized resistance. The Sects remain fairly quiescent. Diem is now making a tour of Central Viet-Nam where he is being enthusiastically received. The French informed Viet Minh on August 30th that the Diem declaration of August 9th[2] (which in effect rejected elections and consultations because of lack of freedom in Communist area) constituted Free Viet-Nam's reply to the Viet Minh letter of July 19th,[3] which had requested consultations. The initial Communist reaction to the French statement was that the Diem declaration did not constitute a response to the Viet Minh letter. Eventual Communist reaction is hard to assess; the British predict vigorous, although undefined, Viet Minh retaliation.

Military:

The Government's campaign against the Sect forces was successful in destroying them as organized forces. They still have the capability to operate as guerrillas, but have been relatively quiet. A series of anti-American incidents in Saigon, of undetermined origin included: The throwing of a grenade at the Ambassador's residence (no damage); the wrecking of several American cars by small bombs; the destruction of six American cars on the docks while being unloaded; the distribution of anti-American pamphlets. The United Front Organization composed mainly of the Binh Xuyen, with a Communist tie suspected, has taken credit over its radio for this campaign. Two junior French army officers were caught by the Vietnamese police while unsuccessfully attempting to plant charges to blow up a small sidewalk cafe in Saigon patronized by Europeans and Americans. The two French officers are being held in Vietnamese custody pending the investigation. The French have protested strongly, allegedly threatening to cut off gasoline supplies to the Vietnamese army unless the officers are released to French control. Recent reports indicate the French actually did cut off gasoline supplies on August 25th but restored service on August 30th. We are investigating this act, as it may involve United States-supplied gasoline.

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[1] Source: Department of State, Central Files, 751G.00/9–255. Secret. Drafted by Hoey.

[2] See footnote 5, Document 240.

[3] See footnote 3, Document 233.

The Vietnamese have a delegation in Paris prepared to negotiate an agreement on the French Expeditionary Corps force levels. Viet-Nam has consulted General O'Daniel on this and will propose to the French that the FEC be pared down to 30,000 by October of 1955 (presently about 45,000) and then withdrawn completely by April 1956, except for small security guards on remaining French naval and air bases. Some four hundred French would be assigned to the Vietnamese army training mission, which will remain under United States command. French Navy and Air would phase out completely by the end of 1956, but certain unspecified ground, naval, and air bases might remain as mutually agreed upon. This proposal seems reasonable to us and we think the French will agree to it, particularly in view of their current need for troops in Africa. Major General Williams, whom you met, is scheduled to take over from General O'Daniel in October or November as MAAG Chief.

The Secretary has approved the FE memorandum[4] which recommends a force level of 150,000 for Viet-Nam instead of the 100,000 originally scheduled. We understand, informally, that the JCS has approved such a level and that ICA is working on the details of financial support.

Economic:

ICA is proposing that our grant aid programs to Viet-Nam, Laos, and Cambodia be altered so that $25 million of the Vietnamese program be in the form of a loan instead of a grant. Similarly, they are proposing $10 million of the Cambodian program and $5 million of the Lao program be loans. We are opposing these moves on the grounds that it is not practicable to impose such loans on their shaky economy.

Summary:

Diem's continued success is due in large part to the lack of organized opposition to him. He has not, for one reason or another, proceeded to pacify the outlying regions where Viet Minh sympathy, and possibly forces, still remain. He is adamant that he will not deal with the Communists regarding elections and is reinforced in this by the Secretary's statement of August thirtieth (attached).[5] The French

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[4] Document 245.

[5] The reference is to an answer which Dulles gave at his press conference, August 30, in response to a question as to whether the United States would support Diem's

Continued

and British are expected to continue their efforts to influence Diem to adhere to the Geneva agreement. Communist tactics are still unclear, but there is no evidence of their preparation for aggression. No real progress has been made toward the establishment of an assembly.

Diem remains the leading anti-Communist nationalist and is gaining in stature. The greatest danger to Free Viet-Nam lies in the lack of constructive programs for pacification and internal consolidation. Our influence on Diem is probably lessening as he grows in popularity. He remains friendly to the United States but is determined, at the same time, to go his own way.

There are signs of a growing Asian understanding of the problem of Communist aggression in Indochina and the recent establishment of diplomatic relations with the Philippines, and the imminence of such with Korea are noteworthy. ROK is anxious to conclude a bilateral defense treaty with Viet-Nam, but details are still unknown.

During the reconvening of the United Nations in New York on September 27–28, the three Foreign Ministers agreed to hold talks in preparation for the October Geneva meeting. We are preparing position papers for these talks and will have a list of topics for your approval this week.[6]

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view that there was no possibility of free elections in the North as long as the Viet Minh were in control there. The statement is not attached to the source text. Dulles answered as follows:

"We certainly agree that conditions are not ripe for free elections. I have always taken the position, and I think I have taken it publicly, that we see no reason to oppose having elections if there can be produced conditions of genuine freedom. In other words, if you could have conditions in the North so that there would not only be a free choice in the sense of being able to put a ballot of your own selection in the ballot box; but also, conditions where there would not be threats in advance or retaliation afterwards—if you could produce those conditions, then I would feel confident that the non-Communists would win the elections, and it would be very desirable to have elections. Whether or not those conditions can be created, I do not know. They have never yet been created in a Communist-controlled area, and in general the Communists have, as we know, always rejected the establishment of conditions which would enable free elections to be held." (Department of State, Central Files, 751G.00/8–3055)

[6] The list is contained in a memorandum from Young to Waddell, September 8. (*Ibid.*, 396.1-NE/9–855). Texts of the briefing papers, BNY D–2/4 to 2/9, all September 17, are *ibid.*, Conference Files: Lot 60 D 627, CF 544.

254. Memorandum From the Executive Secretary (Lay) to the National Security Council[1]

Washington, September 16, 1955.

SUBJECT

U.S. Policy in the Event of a Renewal of Aggression in Vietnam

REFERENCES

A. NSC 5429/5, para. 5–d
B. NSC Action No. 1415
C. Memo for NSC Planning Board from Executive Secretary, same subject, dated August 16, 1955[2]

The enclosed study, prepared by the Joint Chiefs of Staff in accordance with the report adopted by the Planning Board on August 15 (Reference C) is transmitted for the information of the National Security Council and the use of the NSC Planning Board in its further consideration of the subject in connection with carrying out NSC Action No. 1415–c.

Also enclosed is a memorandum by the Deputy Secretary of Defense transmitting and commenting on the JCS study.

At the request of the Deputy Secretary of Defense, these papers are being given a special limited distribution. It is requested that special security precautions be observed in their handling and that access to them be strictly limited on a need-to-know basis.

James S. Lay, Jr.

[Here follows a table of contents.]

[Enclosure][3]

Memorandum From the Deputy Secretary of Defense (Robertson) to the Executive Secretary of the National Security Council (Lay)[4]

Washington, 15 September 1955.

SUBJECT

U.S. Policy in the Event of a Renewal of Hostilities in Vietnam

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[1] Source: Department of State, S/P–NSC Files: Lot 62 D 1, NSC 5519 Series. Top Secret.

[2] Document 244.

[3] This enclosure and its subenclosure are also printed in *United States–Vietnam Relations, 1945–1967*, Book 10, pp. 1001–1006.

[4] This memorandum was classified Top Secret.

1. I transmit herewith for the information of the National Security Council a memorandum by the Joint Chiefs of Staff on the above subject, which was prepared in response to a request deriving from NSC Action No. 1415–c. I believe the Joint Chiefs of Staff analysis to be generally sound. We may wish to make some further comments on certain of the logistic implications outlined in Appendix "B", but in order to expedite NSC consideration of the problem, I am transmitting the Joint Chiefs of Staff memorandum at this time, with the understanding that we will be prepared, if necessary, to discuss it in greater detail in the Planning Board. I trust that this material will prove of substantial assistance in the Council's work on the policy question under consideration.

2. There are attached for information the two earlier memoranda (dated 11 February[5] and 19 August 1955[6]) to which reference is made in the basic JCS memorandum. There are also furnished copies of the two cables[7] discussed in the latter of these memoranda.

3. Because of the sensitivity of the documents attached it is requested that they be distributed on a strictly limited, need-to-know basis. Extra copies of the cables are furnished so that they may be appended to the papers you distribute without the need for your office to reproduce them.

Reuben B. Robertson, Jr.

[Subenclosure]

Memorandum From the Joint Chiefs of Staff to the Secretary of Defense (Wilson)[8]

Washington, 9 September 1955.

SUBJECT

U.S. Policy in the Event of a Renewal of Aggression in Vietnam.

1. This memorandum is in response to a memorandum by the Assistant Secretary of Defense (ISA), dated 19 August 1955, subject as above,[9] in which he requested the Joint Chiefs of Staff to determine the implications and requirements of U.S. military operations, with and without atomic weapons, (1) to repulse and punish overt

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[5] See Document 38.

[6] Document 247.

[7] See Documents 241 and 242.

[8] This memorandum was classified Top Secret.

[9] Not printed; filed as enclosure A to a note by the Secretaries to the JCS (J.C.S. 1992/474), August 22. (JCS Records, CCS 092 Asia (6–25–48))

Vietminh aggression, or (2) to destroy Vietminh forces and take control of North Vietnam.

2. The Joint Chiefs of Staff consider that for the near future, unassisted South Vietnamese forces will be capable of only limited resistance against determined overt aggression by Vietminh forces. Without a warning period in which U.S. preparatory actions were taken, a portion of South Vietnam would probably be overrun, and the integrity of elements of the defending forces would be impaired or lost.

3. Under the foregoing probable conditions, the first task operations to repulse and punish overt Vietminh aggression would include:

a. Immediate U.S. naval and air attack against Vietminh forces.
b. Initial reliance upon Vietnamese ground forces supported by U.S. naval and air operations to oppose the aggression.
c. Early movement forward of mobile U.S. forces, for the purpose of conducting joint operations for tasks beyond the capabilities of South Vietnamese forces.
d. The provision of direct and increased logistical support to Vietnamese forces.

4. The Joint Chiefs of Staff consider that the second task, to destroy Vietminh forces and take control of North Vietnam would require an extension of the operations listed in paragraph 3 above, with the ultimate objective of creating conditions under which the forces of South Vietnam, the Associated States or SEACDT could assume responsibility for accomplishment of the second task. This would require a major campaign of pacification, accompanied by the development of additional indigenous forces for an enlarged mission. Such a campaign would be initiated by joint and combined operations in the Tonkin Delta area to seize bases and other important objectives and to cut supply lines from Communist China.

5. The success of intervention by U.S. forces in a swift and decisive action is believed dependent on the military energy and solidarity of the Vietnamese, the extent of warning and preparations made before an attack, the restriction imposed on U.S. military operations, and the season of the year. It is estimated that operations to carry out the first task could be terminated in a few months to one year to check aggression, but a longer time might be required to clear out all the Vietminh back to the 17th parallel. The time needed for carrying out the second task cannot be accurately estimated. Should employment of atomic weapons not be authorized a longer time would be required. Additionally, although the concepts would not require change, this restriction on the use of atomic weapons would not permit the most effective employment of U.S. armed forces and con-

sequently might require greater forces than the U.S. would be justified in providing from the over-all point of view.

6. With reference to U.S. force requirements:

a. Naval forces currently assigned to the Pacific Fleet are ready to accomplish initial naval missions. For the first task one carrier task force, a bombardment force, an appropriate amphibious force, Marine detachments, and logistical resupply forces would be required. For the second task some augmentation in U.S. naval forces would be required.

b. Assuming the use of atomic weapons, Air Force requirements for either task would be two to three tactical Air Force wings and SAC forces as necessary. Assuming no use of atomic weapons, there would be an increase of tactical air requirements, particularly for the second task; however, sufficient air bases are not available to position these larger forces. For both tasks, in addition to the forces above, tactical airlift for one airborne RCT and strategic airlift for one division would be required.

c. For the first task, ground forces in the magnitude of two to four U.S. divisions should be available for operations listed in paragraph 3 above. For the second listed task, it is estimated that a total strength of up to eight U.S. divisions would be required. Requirements for U.S. ground forces would be subject to reduction to the extent that effective forces were provided by other Manila Pact countries or by other Allies.

d. Forces available are as shown in Appendix "A".[10]

e. Logistic requirements and implications are summarized in Appendix "B".[11]

7. The effects upon other U.S. military commitments as a result of these operations by U.S. armed forces in Southeast Asia would be significant and in proportion to the amount of diversion of forces to this area and the speed with which these diverted forces are returned or replaced. However, the Fleet Marine Forces and certain Army forces in the Pacific could be deployed to the area temporarily without serious effects on other military commitments and without necessitating partial mobilization or substantial increases in force levels and budgetary support.

8. The strongest deterrent to Vietminh aggression, and, at the same time, the most effective preparatory military step would be the stationing of U.S. forces in South Vietnam. However, this course of action is prohibited, prior to an act of aggression, by the terms of the Geneva agreements. The next most effective deterrent would be to add to the deterrent effect of the forces presently deployed in the Far East by deploying mobile ground forces of approximately corps

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[10] Appendix A, "Availability of U.S. Armed Forces," is not printed. For text, see *United States–Vietnam Relations, 1945–1967,* Book 10, pp. 1007–1011.

[11] Appendix B, "Logistic Requirements and Implications," is not printed. For text, see *ibid.*, pp. 1012–1015.

strength together with naval and air forces into the Southeast Asia area prepared for rapid commitment to South Vietnam. Nevertheless, the Joint Chiefs of Staff are of the opinion that at this time the major threat to South Vietnam continues to be that of subversion, and until there are more conclusive indications of overt aggression, it is not considered that additional forces should be deployed to the Southeast Asia area.

9. Preparatory military steps which might be taken are:

a. Continued efforts to increase the effectiveness of the South Vietnamese armed forces for countering external aggression as well as maintaining internal security. In this connection, reference is made to memorandum for the Secretary of Defense, dated 19 August 1955, subject: "Revised Force Bases for Vietnam".

b. Continued improvement of bases in Thailand and Cambodia for use in support of Vietnamese forces.

c. Special training for selected Vietnamese personnel, outside of Vietnam if necessary, in U.S. methods of exploiting air and naval support in ground operations. Instruction might also be provided in the special tactics and techniques of employing atomic weapons support.

d. Accelerated progress in the military aspects of the Manila Pact including combined training. Exercises could be timed to attain optimum psychological and political impact; for example, joint and combined maneuver type exercises in the Philippines or Thailand could be scheduled immediately prior to the Vietnam elections to indicate progress made by non-Communist nations toward collective security, and readiness on the part of Manila Pact nations to carry out their commitments.

e. Aside from the foregoing, preparations can be made for the rapid movement of tactical air control parties and some ground liaison, logistic and communications personnel to Vietnam, in advance of major U.S. formations, to insure an early capability for U.S. supporting operations. Similarly, preparations can be made for early deployment of special U.S. forces to provide a capability for ground delivery of atomic weapons.

10. In the early stages, Vietminh aggression would probably be characterized by a fluid situation with dispersed clashes between opposing forces. In such operations, the opportunities for employing atomic weapons would not justify significant reductions in early force requirements. During later stages, however, suitable targets could be expected to develop as a result of friendly efforts to force concentrations or particularly if the Chinese Communists should intervene overtly. Use of atomic weapons should result in a considerable reduction in friendly casualties and in more rapid cessation of hostilities. In any event, no prohibitions should be imposed on the use of atomic weapons, or on other military operations, to the extent of precluding effective military reaction as the situation develops. The Joint Chiefs of Staff consider that if atomic weapons were not

used, greater forces than the U.S. would be justified in providing would probably be needed.

11. The Joint Chiefs of Staff reiterate the view expressed in their memorandum, dated 11 February 1955, subject: "Concept and Plans for the Implementation, if Necessary, of Article IV, 1, of the Manila Pact,"[12] that the United States cannot guarantee the territorial integrity of any member nation (of the Manila Pact), but at most can help secure the independence of those countries whose peoples desire it and who are willing to undertake the responsibilities of self government. This appears to be particularly applicable to protected, nonmember countries.

12. The foregoing is a rough estimate of the requirements. A more definitive answer cannot be made until the Commander in Chief, Pacific, provides a plan which he is presently developing.

13. The Chairman, Joint Chiefs of Staff, did not participate in the action of the Joint Chiefs of Staff outlined in this memorandum.

For the Joint Chiefs of Staff:
N.F. Twining
Chief of Staff
United States Air Force

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[12] See Document 38.

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255. Telegram From the Chargé in Vietnam (Anderson) to the Department of State[1]

Saigon, September 20, 1955—8 p.m.

1350. Reference: Deptel 937 sent London unnumbered, New Delhi 629, pouched London.[2]

1. Embassy fully recognizes difficulty of finding effective new approach to Diem to influence him enter into indirect consultations with Viet Minh which would not be commitment regarding elections, yet would provide minimum satisfaction to GOI, Geneva co-chair-

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[1] Source: Department of State, Central Files, 751G.00/9–2055. Secret; Priority. Repeated for information to Paris, London, Ottawa, New Delhi, Phnom Penh, and Vientiane.

[2] In this telegram, September 17, the Department of State asked for the Embassy's estimate of how far the United States could go in pressing Diem to enter into indirect consultation with the Viet Minh which would not give any commitments regarding elections, but might constitute a minimum response to the Viet Minh. (*Ibid.*, 751G.00/9–1655)

men, French, Viet Minh and meet with approval of Diem's supporters.

2. Best solution we can propose now is to give convincing impression Vietnamese Government has not rejected possibility of consultations in near future. This might be done by using need for prior creation of National Assembly as a peg for Diem's reply to Dong's message to co-chairman.[3] Diem could announce date for National Assembly elections and State Assembly would speak for people on question of election consultations. Idea is not new as Diem used it at time of Bandung Conference as reason for delaying consultations. We also suggested (without success) he use it more explicitly at time he was preparing his August 9 reply to Dong's July 19 message. However, it is a tactic we might now concentrate on for following reasons:

(a) In our opinion it is device which appears have good chance of satisfying all elements referred to in (1) above, which [*with*?] possible exception of Viet Minh. Latter, however, would find it difficult take strong public exception to what Diem could easily present as democratic procedure to permit free expression of national will on issue of primary concern to the people.

(b) If Diem agrees use Assembly device to meet requirements on international scene, he would be further committed to fulfill government's long-standing promise on national scene.

(c) Diem's reply to Viet Minh could use to good propaganda advantage fact that Dong, quoting article seven of final declarationin message to co-chairmen, conspicuously omitted very pertinent passage: "In order to ensure that sufficient progress in restoration of peace has been made, and that all necessary conditions obtain for free expression of the national will . . . ."[4]

3. Using Assembly as peg for Diem's reply will, of course, succeed only if reasonably early, yet realistic, date is set for Assembly and if that date is subsequently adhered to by Diem.

4. Concerning suitable channel for reply to Dong's message, it is possible Diem will be willing answer in form of reply to UK after latter has officially transmitted Dong's message to Vietnamese Government. In response our inquiry, UK Counselor Etherington-Smith told us his government has in the past exchanged correspondence with Vietnamese Government on matters for which UK responsible as co-chairman of Geneva conference (e.g., sharing costs of ICC, reports of ICC to co-chairman), and Vietnamese Government has never

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[3] The reference is to a note by Pham Van Dong of the Democratic Republic of Vietnam, September 20, to the cochairmen of the Geneva Conference on Indochina complaining of delay in implementing reunification of Vietnam through free elections as provided for in the Geneva Accords. Text of the note is in despatch 668 from London, September 22. (*Ibid.*, 751G.00/9–2255)

[4] Ellipsis in the source text.

shown reluctance reply to UK despite fact matters dealt with Geneva agreement. Counselor emphasized, however, that while his government might be willing facilitate initial steps in consultations, he believes it would not wish become continuing channel of communication between Viet Minh and Vietnamese.

5. If Department agrees we should urge Diem answer Viet Minh via letter to UK, question then remains what, if any, pressure we can or should use on Diem to obtain result desired. Although our ability exert pressure is apparently great because of government'sdependence on US support, in actual fact, if we wish our efforts to be effective we can do little more than use ardent persuasion, basing our arguments exclusively on Vietnam's self-interest.

6. We have reason to believe that possibility Russia may raise election issue at Geneva in October raises hope rather than fear among many Vietnamese Government officials because they anticipate Russia may also insist on subsequent 9-power conference. We suspect Vietnamese Government would like nothing better than to appear as sovereign nation in such a forum to present its own case in hope of getting sympathetic world audience and possible backing for postponement of general elections under UN supervision. They also count on US protection to shield them from possible Viet Minh military reaction to their intransigence.

7. Informal comments from British and French colleagues during past week indicate they consider use of need for National Assembly as possible peg for Diem's reply.

8. French Counselor Hessel seems to be thinking along more rigid lines. He suggests Diem might announce a time-table which would specify dates for creation National Assembly, for Assembly discussion of general election issue, and possibly for holding general elections. (We feel it would be inadvisable even to suggest to Diem he mention a date for general elections because he would immediately suspect Western powers of attempting gradually push him into actual elections.)

9. Hessel also seems to be considering possibility of gaining time for Vietnam by having Diem propose UN commission conduct preelectoral investigation to determine whether conditions exist for free elections. We see dangers in this approach.

Anderson

256. Telegram From the Acting Secretary of State to the United States Mission at the United Nations[1]

Washington, September 26, 1955—7:10 p.m.

Tosec 3. For MacArthur.

1. Reinhardt after consultation French, British colleagues made démarche on reply elections note to Diem and Mau September 25 along lines previously authorized.[2] Written démarche summarized paragraph 2 accompanied by oral statement to effect Vietnamese being urged take following action in replying Viet Minh complaint transmitted 21st by British Ambassador Saigon in order strengthen U.S. and free world hand in countering Viet Minh and Soviet charges Vietnamese failure consult as scheduled Geneva Agreement.

2. Summary written démarche: Suggested actions only minimum steps give appearance consultations technical level in order lessen mounting international pressures and would not in any way compromise Vietnamese or U.S. position Geneva Declaration.

We believe present circumstances require Vietnamese Government address written note British Government, not in capacity Geneva co-Chairman, for optional transmittal "interested parties" concerned.

In this note Government should take official cognizance communication from "authorities at Hanoi" transmitted by British Government, reaffirm it in favor absolutely free elections and eventual reunification Viet-Nam, restate conditions essential for free expression national will, and refute Communist arguments in Viet Minh note.

Government should indicate it actively studying additional steps broaden popular democratic basis Viet-Nam regime which would permit Government speak authoritatively for Vietnamese people. Note might add UK, itself devoted to democratic principles and institutions, will recognize such development as essential prerequisite. End summary.

3. Diem, Mau fairly receptive, requesting time study ascertain whether proposed action consistent previous Vietnamese elections and consultation position.

4. French Foreign Office informed and reacted favorably.

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[1] Source: Department of State, Central Files, 751G.00/9–2655. Secret; Priority. Drafted by Hoey and Byrne. Dulles and MacArthur headed a team of advisers and working group members at the U.N. General Assembly meeting in New York engaged in tripartite discussions with the French and British Foreign Ministers attending the Assembly sessions. Dulles and the team were in New York, September 26–28. (Tentative list for New York tripartite meeting as approved by Dulles, August 23; *ibid.*, Conference Files: Lot 60 D 627, CF 544)

[2] That authorization was transmitted in telegrams 1012 and 1030 to Saigon, September 23 and 25. (*Ibid.*, Central Files, 751G.00/9–2055 and 751G.00/9–2655)

5. British and Vietnamese Embassies informed here. We asked Vietnamese Ambassador study U.S. proposal and communicate his support U.S. démarche directly to Diem, Mau.

6. Reinhardt requested Secretary send personal statement Diem in support by 28th. We are preparing draft message for Secretary's consideration.[3]

7. Above might be useful in New York talks British, French, since our action in line their general positions.

Hoover

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[3] This draft message, which was not sent to Diem, is in Tosec 7 to New York, September 27. (*Ibid.*, 751G.00/9–2455)

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257. Telegram From the Acting Secretary of State to the Embassy in Vietnam[1]

Washington, September 27, 1955—5:42 p.m.

1058. Joint State/Defense/ICA/Treasury message. (1) Saigon's 186,[2] (2) Toica 154,[3] (3) Department's 894 to Saigon,[4] (4) MG 746 P from Saigon,[5] (5) 102223Z from CINCPAC.[6]

1. Requested force basis 150,000 (Army Navy Air) plus 10,000 sects by 31 December 1955 and 150,000 total (including sects) by 30 June 1956 approved. Force basis for FY 57 will be reviewed at later

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[1] Source: Department of State, Central Files, 751G.00/7–1455. Secret. Drafted by Price and cleared in PSA, FE, and S/MSA and in draft with ICA, Treasury, Defense, and OFD. Approved for transmission by Hoover. Repeated for information to CINCPAC.

[2] Document 227.

[3] Not printed. (Washington National Records Center, FOA Message Files, FRC 57 A 248, Box 104, Vietnam)

[4] In this telegram, September 14, the Department informed the Embassy that it approved of a higher force level for Vietnam and that interagency approval was being obtained. (Department of State, Central Files, 751G.5/9–1455)

[5] In this telegram from Chief, MAAG Vietnam to the Commanding General of the U.S. Army in the Pacific (sent for information to Chief of Staff of the Army and CINCPAC), August 10, O'Daniel outlined and discussed the major problems facing MAAG in Vietnam. They included the withdrawal of the FEC, the lack of SEATO force commitment in defense of Vietnam, the dichotomy between the U.S. view of the role of Vietnam's armed forces as that of providing internal security and the Vietnamese view of their role as that of protecting against aggression from the DRV, problems of demobilization of the VNA, need for U.S. approval of a 150,000 force level, logistical support deficiencies, and the need for qualified civilian personnel within MAAG to release military personnel for training functions. (Department of Defense Files)

[6] Document 242.

date in light of military requirements and over-all U.S. commitments and availability of funds and equipment.

2. In view large amount U.S. funds requested to support increased force basis and limited funds available total Mutual Security Program, final decision on amount of Defense Support and DFS fund allocations for 31 December 1955 to 30 June 1956 deferred until completion study outlined below.

3. We are concerned over high proposed cost maintaining Vietnamese forces (average $1843 per uniformed person). We understand general reasons for this figure but believe major renewed effort necessary to achieve further economies wherever possible without hindering attainment over-all objectives. Therefore request Mission proceed immediately to study this subject.

4. To participate in this study and provide basis our FY 56 and FY 57 program budgeting we plan to send small highly qualified interagency team to Saigon immediate future for period one month. Desire Embassy views whether major obstacles to visit of such team at this time.

5. Study to include following broad subjects:

(a) Financial requirements necessary to support force basis and to achieve further economies.

(b) Basis of the cost figures used by Vietnamese to support total budget request, including accuracy and applicability. This would include pay and allowances, rations, clothing, construction, training, civilian employment, etc.

(c) Present or future ability Viet-Nam to assume greater amount total defense costs—possibly result of higher taxes, better collections, etc.

6. Request Mission meantime consider other techniques reducing dollar cost to U.S.

7. In informing Diem our agreement increased force basis, would you consider appropriate seek commitment on matters in addition to cost reduction armed forces e.g. progress toward agrarian reform, constituent assembly, electoral methods, etc.? You might use this opportunity at least to mention to Diem we would welcome progress these lines without attempting secure formal commitment from him.

Hoover

258. Telegram From the Secretary of State to the Department of State[1]

New York, September 27, 1955—10 a.m.

Secto 2. During call on Secretary last night (September 26) Macmillan raised question of Vietnam. Macmillan said he concerned about attitude of Vietnam Government and feared that if it continued to oppose discussion with Vietminh re elections ICC would throw in the sponge. He was particularly concerned that India would either suggest withdrawal of ICC or request formal meeting of co-chairmen of 1954 Geneva Conference. He said that if ICC withdrew Vietminh might engage in overt military action. He asked the Secretary's views.

The Secretary said he understood US, UK and French representatives in Vietnam agreed that best course of action was to urge Diem to hold elections in Free Vietnam. If Diem agreed to elections he could then take position he understandably unwilling to enter consultations with Vietminh until he had mandate from Vietnamese people. US was urging Diem to follow this course of action. Secretary suggested that if Indians press Macmillan he should point out that Diem does not have authority to speak for Vietnamese people until elections in South Vietnam are held and that UK, US and France all urging Diem to hold such elections as soon as practicable.

Macmillan agreed and said that he was engaged in a stalling operation with Indians to prevent them from either bringing matters to a crisis re withdrawal of ICC or insisting on a formal meeting of the Geneva co-chairmen which he strongly opposed, particularly since he had "inherited UK co-chairmanship from Eden."

Tosec 3[2] reached us only this morning.

Dulles

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[1] Source: Department of State, Central Files, 751G.00/9–2755. Secret; Priority.

[2] Document 256.

259. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, September 29, 1955—9 p.m.

1483. Ref: Embtel sent Dept 1468 info Paris 283.[2]

1. In private conversation Sept 26, Diem indicated to me govt planning to proceed along lines described in para 2 reftel.[3] No official announcement has yet been made.

2. I took occasion to remind PriMin of numerous conversations with him and other VN officials in which I and members of Embassy had endeavored to explain disadvantages in use of referendum to resolve imperial question. He countered with usual arguments. I said that submission of constitution for adoption by referendum was equally undesirable procedure and asked why he could not simplify process by having constitution dealt with by elected constituent assembly. Essence of his reply was that he feared an assembly would take too long and in the end produce an unacceptable document providing for too much parliamentary authority over the govt. Vietnam could not afford at this step to risk in the instability of parliamentary govt on the French model.

3. The only point he seemed to accept during course of lengthy discussion was my suggestion that if he felt compelled to hand down a constitution ex cathedra he might at least label it "provisional" and permit the assembly to work on the drafting of a definitive organic constitution to be adopted at some later date. Diem did not speak to me of substance his proposed constitution. Accordingly, our knowledge of draft reported in reftel remains unofficial.

4. Following is our thinking re above plan:

a. Program is somewhat cumbersome, involving as it does two referenda and two elections[4] within three months. Mechanics may prove more difficult than Vietnamese anticipate in view lack experience such matters.

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[1] Source: Department of State, Central Files, 751G.00/9–2955. Secret. Repeated for information to Paris.

[2] In this telegram, September 28, the Embassy reported receiving Vietnamese Government plans for two national referenda. The first was to be held on October 23 to decide whether Bao Dai should be deposed and Diem designated Chief of State. The second, to be held November 27, was to decide on a draft constitution prepared by the Diem government, establishing in Vietnam a strong presidential system. A draft preamble to the proposed constitution provided that individual rights would be exercised "to the extent compatible with requirements of independence, public security and general interest." The two referenda were to be followed by direct elections for a National Assembly. (*Ibid.*, 751G.00/9–2855)

[3] This paragraph contained the schedule for the successive elections.

[4] Communal and municipal elections were scheduled to be held simultaneously with the second referendum.

b. Undemocratic aspects of program will be apparent both internally and abroad. Referendum procedure clearly less democratic than having elected assembly decide on questions of Bao Dai and new constitution. Constitution concentrates power heavily in hands of President, who can dissolve house as well as govern through issuance ordinances in emergency. On other hand no presidential veto of legislation passed by house is provided for (although this may be added in later draft).

c. In spite of above shortcomings, implementation of program would result healthier situation than present, and program may very possibly represent greatest measure of democracy possible in Free Vietnam today constituent [*consistent*?] with maintenance of strong, stable govt.

d. Govt appears determined to proceed with program, and it is unlikely U.S. could bring about significant modification without exertion of greatest pressure.

e. Believe it essential some action be taken soon, and would therefore consider implementation above program preferable to further procrastination and haggling.

f. Most important that elections for assembly be held. Possibility exists that Diem may proceed with referenda and then postpone assembly elections. (It is clear that direct elections will pose many problems and he had, therefore, felt indirect elections safer and probably adequate.)

g. Believe our best plan of ensuring that Diem proceed with assembly elections is to make unequivocally clear to him importance we attach to assembly and fact our ability to continue supporting him effectively in such matters as Geneva consultations predicated in large part on his making progress on government programs such as election of National Assembly.

Reinhardt

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260. Memorandum From the Secretary of State's Special Assistant for Intelligence (Armstrong) to the Acting Secretary of State[1]

Washington, September 9 [30?], 1955.

SUBJECT

SNIE 63.1–4–55: Consequences of Possible US Courses of Action with Respect to Vietnam[2]

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[1] Source: Department of State, Central Files, 611.51G/9–3055. Top Secret. A marginal note on the source text in an unidentified hand indicates that Hoover did not see this memorandum before his departure on September 30.

[2] For text, September 13, see *United States–Vietnam Relations, 1945–1967*, Book 10, pp. 997–1000. Special National Intelligence Estimates (SNIEs) were interdepartmental re-

Continued

At the request of the NSC Planning Board, the intelligence agencies have examined the consequences of certain specified US courses of action with respect to Vietnam and have arrived at the following principal conclusions which were approved by the Intelligence Advisory Committee on September 13, 1955:

1. If the US were to undertake sufficient military, political, and economic steps to clearly convince the Communists that overt aggression by the Viet Minh against South Vietnam will be met by swift and determined US armed intervention, such aggression would be most unlikely.

2. If, after taking the preparatory steps assumed in point 1 above, the US failed to intervene against an open Viet Minh attack, US prestige and influence in Asia would be drastically lowered and the Manila Pact as an effective instrument against Communist aggression would almost certainly be destroyed. The Chinese Communists would probably apply strong pressure against those countries whose determination to resist Communist inroads had been most weakened. As a result, the free nations of mainland Southeast Asia would become increasingly inclined to attempt to maintain their independence through negotiated understandings with Peiping.

3. If the US failed to intervene against an open Viet Minh attack without previously having made its intentions clearer than they are at present, the local reactions in Southeast Asia would be virtually the same as those noted in point 2 above. The Communists, however, would be less inclined to believe that the failure to intervene indicated that the US would not resist Communist aggression elsewhere. They might therefore proceed more cautiously in their efforts to exploit the situation created by the fall of Vietnam.

4. If the US intervened against an open Viet Minh attack, Asian and European approval for such action would be tempered by fear that the fighting could not be limited to Vietnam. Our NATO allies and Japan would exert pressure on the US to limit its objective to restoring the status quo. Only Nationalist China, the ROK, and possibly Thailand and the Philippines, would give unqualified support to a US declaration that its objective was to destroy the Viet Minh regime and extend non-Communist control to all Vietnam.

PA

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ports presenting appraisals of foreign policy problems on an immediate or crisis basis. SNIEs were drafted by officers from those agencies represented on the Intelligence Advisory Committee, discussed and revised by interdepartmental working groups coordinated by the Office of National Estimates of the CIA, and circulated under the aegis of the CIA to the President, appropriate officers of cabinet level, and the NSC. The Department of State provided all political and some economic sections of SNIEs.

261. Memorandum From the Director of the Office of Philippine and Southeast Asian Affairs (Young) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)[1]

Washington, October 5, 1955.

SUBJECT

Vietnamese National Assembly and other Political Reforms

Ambassador Reinhardt has sent in the Vietnamese plans for two referenda and an election for a national assembly. These plans are contained in his 1468[2] and 1483[3] attached. U.S. officials have been emphasizing to French, British and others the importance of being able to tell the Communists that a national assembly in Free Viet-Nam is a prerequisite to any Vietnamese consideration of consultations and all-Vietnamese elections. I think that line is a sound one in terms of dealing with the Geneva elections problem.

However, I would like to enter a reservation and possibly a minority dissent regarding elections in South Viet-Nam for a national assembly. I have put a mild reservation in the attached outgoing telegram[4] for your signature commenting on Reinhardt's 1483. In that telegram he indicates that "it is most important" that elections be held and that we make "unequivocally clear" to Diem the importance we attach to an assembly. I agree with this in theory but I am very worried over how such elections might work out in practice. Democracies in newly independent Asian countries are unpredictable things and first elections like first experiences in anything are utterly unpredictable. I hardly need cite Indonesia as a case in point. As for Viet-Nam, I cannot give you or the Secretary the slightest indication as to what might happen if there were free, secret general elections in South Viet-Nam on December 22 as Diem has now scheduled them. Pro-government forces might win a majority or a jumble of complicated parties might so split representation that there would be no single responsible support for the government, or the Viet Minh and their sympathizers might cleverly get a lot of seats. Unless there is pretty good prior political preparation through vigorous political leadership and a political country-wide party, the national assembly and elections in South Viet-Nam might turn out to be a sour experience. I just don't know and therefore I am reluctant for the United States and its friends to start pressing the Vietnamese down this path from which there is no return. From all the information I can get from despatches as well as from Americans who have talked with Diem and his advisers, I am satisfied that they are fully aware of the delicate task of finding adequate balance between the establishment of strong, stable, executive leadership and the widest possible extent of representative institutions. A more constitutional process is needed in Viet-Nam to take care of the Bao Dai problem, and increase Diem's authority. On the other hand, premature or excessive popular representation might submerge the still very frail structure we have been able to help Diem put together despite the almost unsurmountable obstacles during the past twelve months. I naturally hesitate to endanger what has been won so hard.

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[1] Source: Department of State, Central Files, 751G.00/10–555. Secret. Also addressed to Sebald who initialed it.

[2] See footnote 2, Document 259.

[3] Document 259.

[4] See Document 264.

Recommendations:[5]

1. Therefore, I would recommend that the United States Government not press Diem to hold elections and form an assembly at any particular time during the next three to six months. I think we should let him be the judge of the adequacy and timeliness of his own preparations.
2. That you sign the attached telegram to Saigon.

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[5] This heading and recommendation no. 2 are written in the source text in an unidentified hand, presumably done in the office of the Assistant Secretary of State for Far Eastern Affairs.

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262. Letter From the Director of the Office of Philippine and Southeast Asian Affairs (Young) to the Ambassador in Vietnam (Reinhardt)[1]

[Washington,] October 5, 1955.

Dear Fred: One more matter while it is on my mind. It seems to me that developments have reached the stage in Viet-Nam where we should start to plan and operate on a longer-term basis than we have during the past twelve months. We have jerked from crisis to crisis and there will be more. Yet, it seems to me that despite many weaknesses in Viet-Nam, there are some positive trends in the international, political, economic and military fields that for the first time may allow us to take a longer view.

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[1] Source: Department of State, FE/SEA Files: Lot 58 D 207, SEA, Viet-Nam Correspondence—1955. Secret; Official–Informal.

On the international plane, it seems to me we can now proceed with the assumption that there will be no all-Vietnamese elections in 1956. Barring major hostilities, the South will remain under a non-Communist regime for some time, despite great difficulties in the South owing largely to the administrative weaknesses of the Diem government, the unknown capabilities of the Viet Minh and mounting economic deficiencies. A free and united Viet-Nam should be our ultimate objective but, unless force is used which we forswear and which the Communists may forgo, I do not see any immediate prospects for an acceptable political unification. Judging only by such indications as the passing of July 20 without major incident, the rather leisurely pace which all the Communist leaders have so far followed regarding the consultation issue, and the hints from the Viet Minh on zonal "autonomy", one can now speculate that Communist diplomacy will not put on unbearable pressure regarding this issue of unification by Geneva, although it may be heavy. Moreover, the British and the French have come a long way since last May–July when they were horrified and terrified over our approach. We got over the July 20 hurdle surprisingly well, which may be significant. Perhaps the Vietnamese can persuade the French to see that French interests in Viet-Nam will be better served by falling away from a strict implementation of the Final Declaration at Geneva. All these strains do not add up to international harmony on Viet-Nam, but the high pitch seems to be dropping, for the moment at least.

On the political side, Free Viet-Nam is now undertaking the intricate process of establishing some form of constitutional government. This is going to take months and years to work out successfully. I have just been reading "Representative Government in Southeast Asia" by Prof. Emerson of Harvard and published early this year. A few quotations are particularly pertinent now that we have the Vietnamese proposals to look at:

> "The question may indeed be asked as to the propriety of establishing the ability effectively to manage representative institutions as one of the major criteria in judging the political record and prospects of Southeast Asian countries. . . . No one should come to the study of Southeast Asian political institutions with the fixed preconception that they should conform to established Western models."[2]

These Asian countries will have to find their own balance between the values of sufficient authority and effectiveness of executive leadership on the one hand and adequate, responsible expression of the popular will on the other. It will be a delicate and unstable relationship at best. It seems to me the benefit of the doubt at this stage of the game should be given the need for strong leadership. Our Asian friends should not have too much compunction about copying Western forms intact. Thus Vietnamese proposals sent in your 1468[3] look suitable at first glance and probably as good as can be expected. I should think the Vietnamese would need a strong, centralized form of government with suitable outlets for voicing local and public opinion, including a "responsible" opposition. It is not surprising that Ngo Dinh Diem closely followed the Cambodian elections and political developments.[4] Apparently, he is concerned about parliamentary forms that weaken the executive and overcentralization of authority that discourages opposition. The "institutionalizing" of Diem's regime adds new and long overdue political elements that have been so sorely needed for well founded diplomatic policies which have been necessarily so personalized by the pro- or anti-Diem problem.

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[2] Ellipsis in the source text. The quotation is from Rupert Emerson, *Representative Government in Southeast Asia* (Cambridge, Harvard University Press, 1955), pp. 16, 192.

There is even more need for long-range economic planning. I touched on this in my other letter but I just want to mention it again since it seems to me and Len Tyson, who handles economic affairs for Southeast Asia, that this is particularly important. The issues were raised in the points made to Senator Mansfield and in Diem's speech of September 17, both reported in your 1113 of September 6,[5] and 1361 of September 21.[6] We ought to shift the basis of our planning and programming in Viet-Nam to a longer range basis. We have had to meet emergencies and I think on the whole our agencies have done a good job. But should not we now address ourselves to the basic structure and nature of the economy of Viet-Nam? What about the whole land reform question that has been so disappointing so far. This is all a pretty complicated subject. I do not yet visualize how we can get a grasp of it. That is why I have been thinking of some kind of a special mission which could take the time to work with Leland Barrows who is doing a splendid job and with the operational people in ICA in order to come up with some well thought out recommendations. The problem is that many of us are so tied down in Saigon and in Washington that we cannot do this kind of job. But I do feel we should change our approach.

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[3] Not printed, but see footnote 2, Document 259.

[4] In elections held on September 11 for the Cambodian National Assembly, the Sangkum Reastr Niyum (Socialist People's Community) led by Prince Norodom Sihanouk swept all seats, overwhelming the opposition Democratic Party. The SRN platform called for the abolition of all political parties and the direct election of village representatives. The cabinet was to be responsible to the Crown, which would have veto power over all legislation.

[5] Not printed. (Department of State, Central Files, 751G.5–MSP/9–655) The most comprehensive account of the economic proposals handed to Senator Mansfield on August 20 at a meeting with Diem and his Ministers is in despatch 84 from Saigon, September 19, and its enclosures. (*Ibid.*, 851G.00/9–1955)

[6] In this telegram the Embassy summarized Diem's speech. The President had called for enlarging Vietnam's economic independence through the pursuit of a liberal credit policy which would stimulate domestic investment and through discouragement of additional foreign investment in those sectors essential to national security, such as basic transportation, the marketing of food, and the supply of the army. Diem also stressed industrialization, to be confined at first to products presently imported but for which Vietnam had natural resources, such as rice milling and simple textiles. Lastly, Diem called for the mechanization of agriculture, to be accomplished by the creation of large tillable units in the form of producer cooperatives. (*Ibid.*, 851G.00/9–2155)

On the military side, I merely mention the new Washington agreement to support your recommendation on the 150,000 force level. We never should have gone down to 90,000 or then 100,000 in such a short time. But we all learned—even generals—and I think corrected our error before completely off course. The growing capabilities and the loyalty of the VNA have been the decisive factor, perhaps this year. General O'Daniel and TRIM have done a wonderful job. At last we may think there is an anchor in Viet-Nam that gives some promise of holding in some winds at least.

To sum up, I would like now to try to gear United States agencies to using more long-range factors in their planning and operations in Viet-Nam. This means the OCB here and the USOM there. I would much appreciate your judgment. Perhaps you could talk to Mr. Hollister, Howard Jones, and Ray Moyer about this.[7]

With best regards,

Sincerely,

Kenneth T. Young, Jr.

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[7] The reference is to a trip by Hollister and Jones in October to Tokyo, Seoul, Taipei, Manila, Saigon (October 25–27), Bangkok, Vientiane, Phnom Penh, Rangoon, Jakarta, Singapore, and Hong Kong. Hoover began the trip with Hollister but was forced to leave the tour at Manila to return to Washington because of Dulles' earlier-than-anticipated departure for the Geneva Conference. Information on the Hoover-Hollister trip is *ibid.*, 110.12–HO and Conference Files: Lot 59 D 95, CF 534–541.

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263. Memorandum of Discussion at the Meeting of the Operations Coordinating Board's Special Working Group on Indochina, Department of State, Washington, October 5, 1955, 11 a.m.[1]

MEMBERS PRESENT

State—Mr. Kenneth T. Young, Jr. [Chairman]
ICA—Mr. Frederick H. Bunting

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[1] Source: Department of State, OCB Files: Lot 62 D 430, Southeast Asia. Secret. Prepared by Kenneth P. Landon, OCB Staff Representative, on October 12.

USIA—Mr. Francis J. McCarthy
Treasury—Mr. Paul D. Dickens
Commerce—Mr. Davis A. Kerns-Preston
OCB—Mr. Kenneth P. Landon

OTHERS PRESENT

State—Mr. Robert E. Hoey; Mr. Hoyt Price; Mr. Ellsworth R. Mosman
Defense—Mr. H.J. Sandri
USIA—Mr. James Flood
CIA—Mr. O. Williams
BOB—Mr. Austin Ivory; Mr. Ralph Dungan

1. Long-range Planning for the Associated States

The Chairman opened the discussion with a proposal for shifting our approach from a short-term crash basis to more long-range planning and development where feasible. In his opinion it is possible to assume that internal developments in each of the Associated States have reached the point where some long-term planning may be conceivable. On the political side there have been some positive developments in each of these countries which would permit us for the first time to take a longer view. We had begun our aid programs during a period of war and rapid transition circumstances which allowed us to do no more than quickly fill urgent or extraordinary needs for the best available opportunities. In the six months following the Geneva Agreement we had to readjust rapidly to new conditions on a crash basis. This is particularly true in Vietnam, for a year ago the problem was to try to hold Free Vietnam together for at least a year under circumstances which looked bleak and unpromising. Immediate action on all fronts was the insistent requirement. But now all three countries appear to be in a process of settling down to new patterns. There are still many difficulties and grave dangers facing each country and our aid programs, but the Chairman pointed out the situation in each of the Associated States, with a possible exception of Laos, appears to have stabilized enough to look into the possibility of recasting our aid programs on a longer range basis.

In reply to a question from Mr. Williams, the Chairman emphasized that the situation in all three countries is just as critical as ever but that there were perhaps greater opportunities for reaching results and for sustaining our efforts than six to twelve months ago when the FY '55 and FY '56 programs were readjusted to Geneva. Whereas a year ago we were working on a crash basis to enable the Associated States to survive, today these states appear reasonably established. The Chairman noted that the Diem Government in Vietnam has consolidated its power and authority against non-communist political minorities and is proceeding to reconstitute the form and structure of its government. In Cambodia elections have been held, a single party now commands authority, and real as well as institutional power is now merged in Prince Sihanouk. In Laos, the problem of communist control in the two northern provinces is a delicate situation, but in the rest of the countries there have been favorable developments. Consequently, the Chairman noted that the State Department has been searching for several weeks for methods of re-examining and recasting our aid programs, if the working group should agree that it would be necessary. In this connection the Chairman called the group's attention to Senator Mansfield's report of October 6,[2] recommending a special mission to Vietnam and a careful review of all our programs in Cambodia and Laos.

In the discussion that followed there appeared to be a general consensus that a re-examination and review would be desirable in principle. It was decided that a joint telegram should be sent to Saigon, Vientiane and Phnom Penh[3] outlining the group's view as to the needs of our aid programs, asking the missions to discuss this matter with Mr. Hollister and Mr. Jones during their visit. Mr. Price of State, Mr. Bunting of ICA and Mr. Sandri of Defense were designated to work up a first draft of such a telegram.

The question was raised as to where the costing mission to Vietnam[4] would fit into a re-examination of the aid programs. For his part, the Chairman stated that the costing mission was extremely important, should be sent out as soon as possible and could be considered as one element in arriving at the over-all picture. Mr. Landon pointed out that an inter-departmental study was being prepared on Pakistan which was somewhat along the line of today's discussion. It seemed to be the consensus of the group that two studies could be developed for the Associated States. First, a costing mission should be set up to make a sixty-day survey. The findings of this mission could then be incorporated in a broader survey made by a high-level mission over a period of three to six months. The purpose of such studies would be to establish guidelines for U.S. operations in the Associated States during the next few years.

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[2] For text of Mansfield's report of his study mission to Southeast Asia on behalf of the Senate Committee on Foreign Relations, see "Report by Senator Mike Mansfield, Viet Nam, Cambodia, and Laos", 84th Cong., 1st sess., Committee Print (Washington, Government Printing Office, 1955).

[3] No telegram as described has been found in Department of State files.

[4] On September 9, Gordon Gray of the Department of Defense suggested sending a small interagency survey team to Saigon for a month to seek ways to reduce the cost to the United States of supporting Vietnamese armed forces. The Embassy in Saigon, the Department of State, and ICA agreed to the proposal and the team was organized and scheduled to leave at the beginning of November. (Memorandum from Young to Sebald dated October 17 with attached letter dated September 9 from Gray to Hoover; Department of State, Central Files, 751G.5–MSP/9–955)

Mr. Landon then made the suggestion that a plan of operations might be developed for each of the Associated States which would be an advantage over the usual outline plan of operations, which is primarily a description of what things U.S. agencies are planning to do in the immediate future. It was pointed out that an outline plan of operations for each of the Associated States might be part of the development of a longer range plan on extensive field surveys. The sort of long-range operating plans contained in PSB D–23[5] for Thailand might be an example.

2. Closure of the Consulate at Hanoi[6]

The closure of the U.S. Consulate at Hanoi was discussed, including a proposed press release which had been drafted and was being cleared in the State Department. It was brought out that by attrition the Consulate was running out of supplies. It would be impossible to continue without having the ability to rotate personnel and to replenish supplies, and the communists had refused such permission. Consul Corcoran was authorized to work out the closure of the post and the withdrawal of the personnel.

3. Situation in Laos

Lack of progress in negotiations between the Lao and Pathet Lao was discussed and it was brought out that this subject might be discussed shortly at Geneva. The Defense Department is progressing rapidly in the selection of a military group for Laos. The chief and some of his staff have already been chosen. The total group will number about 20 and they will proceed to Laos as part of the ICA staff. The departure of the members already selected is awaiting action by Assistant Secretary Gray.

The Defense member outlined various air transportation problems for Laos, and during the discussion various alternative solutions were mentioned, recognizing that the problem remained to be solved.

4. Relations with Cambodia

The problems facing U.S. agencies doing business with the Cambodian Government were explored. It was pointed out that we have been going along without an economic aid agreement. The question is whether we should continue on that basis, or should press for an agreement. The possibilities of putting pressure on the Cambodian Ambassador in Washington were discussed, recognizing his personal friendship with the new Prime Minister. It was agreed that the U.S. can be expected to have a difficult time with the Cambodian Government, as the Cambodians apparently agree with difficulty to the terms of other nations. At present the Cambodians apparently want the U.S. to turn over dollar support to them, for them to use first and to account for later.

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[5] PSB D–23, "U.S. Psychological Strategy Based on Thailand", September 14, 1953, not printed. (*Ibid.*, 790.5/9–1453)

[6] The American Consulate in Hanoi was never officially "recognized" by DRV authorities, and after they took control of Hanoi they placed restrictions and limitations on Consulate personnel and engaged in intermittent harassment of the Consulate. On September 26, however, they ordered the Consulate to cease using its radio transmitter and receiver and took the action as described above. Until this time the Consulate had submitted monthly political and economic reports as well as other telegrams which are *ibid.*, 751G.00 file; documentation relating to harassment and closure of the Consulate is also *ibid.*, 122.4564 file. The Consulate closed on December 11, 1955.

During the discussion it was brought out that the problem of force levels in Cambodia had been referred to the JCS and a decision is expected within two or three weeks. This study is in accordance with the Ambassador's request for a review of the subject in Washington.

5. *U.S. Business Interests*

The Commerce member indicated that his Department was very much interested in the development of U.S. business with the Associated States; that techniques for trade need to be developed with Cambodia and Laos. He mentioned that U.S. business interests are familiar with the Saigon trade but not with other States.

A word of caution was given by one member of the working group regarding crash-basis planning versus long-range planning, pointing out that Vietnam is still in a critical situation and will be for a year or more. There seemed to be no disagreement with this observation.

Reference was made to the Progress Report on Southeast Asia (NSC 5405)[7] and it was thought that a first draft might be ready for the next meeting of the working group[8] which will be held in Room 5104, New State Building, Thursday, October 13, at 3:00 p.m.

Kenneth P. Landon

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[7] Dated December 21, not printed.

[8] A report of this meeting is in a memorandum of discussion by Landon, October 18. (Department of State, OCB Files: Lot 62 D 430, Southeast Asia)

264. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, October 6, 1955—4:37 p.m.

1192. Saigon 1483 repeated Paris 288.[2]

1. Department agrees with line you have taken in discussions with Diem regarding internal elections. It appears despite our best efforts he proposes proceed as outlined Saigon 1468 repeated Paris 283.[3]

2. We concur your judgment that proposed steps preferable to present absence any national legislative body, constitution or settlement Bao Dai problem.

3. You may reiterate to Diem the importance we attach to broadening base and increasing authority Vietnamese Government by political reforms. We hope implementation program will not be delayed during next few months. At same time we feel here adequate preparations for assembly elections as important as holding of elections and formation of assembly. Without effective political organization commanding majority in assembly and provisions guaranteeing against Viet Minh representation, assembly could otherwise harass government, add to its already enormous burdens and bring divisive rather than cohesive elements. In view strength Viet Minh organization in North and their unknown capability in South, development strong stable executive leadership in Vietnam should have priority. Such representative and constitutional processes should be developed to extent that they do not weaken central authority. Therefore timing of such elections can best be left to determination local conditions. Would appreciate Embassy's estimate what kind of assembly would result from elections in December or thereabouts.[4]

Dulles

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[1] Source: Department of State, Central Files, 751G.00/9–2955. Secret. Drafted by Young and Hoey and cleared by Sebald and Robertson. Repeated for information to Paris.

[2] Document 259.

[3] See footnote 2, *ibid.*

[4] See Document 266.

265. Draft Study Submitted to the National Security Council Planning Board by the Department of State Member (Bowie)[1]

Washington, October 6, 1955.

POLITICAL AND ECONOMIC MEASURES IN EVENT OF A RENEWAL OF AGGRESSION IN VIET-NAM

The following study is submitted in response to the Planning Board Memorandum of August 16[2] which called for a State Department "study of political and economic measures which would be required in support of the operations" which are described in the JCS Memorandum for the Secretary of Defense dated 9 September[3] "including preparatory steps which might have a deterrent effect."

A. Political:

Deterrent

1. The most important political action which the US could take to deter overt Viet Minh aggression would be a clear reaffirmation in official public statements of US intention to take vigorous action under the protocol to the Manila Pact in the event of such aggression.

2. Similar statements from other members of the Manila Pact would also provide a useful deterrent.

3. Possibilities of securing such statements would be affected by the degree to which the Government of Viet Nam could make it clear that the onus for any such aggression would lie with the Viet Minh. Similarly, demonstration by the Government of Viet Nam of its determination and intent to maintain itself as an independent anti-communist country will assist in securing for it international support and will serve as a deterrent to Viet Minh aggression. Accordingly, the US should continue to prevail upon the Government of Free Viet Nam to follow courses of action which will assist in such developments. In particular it should attempt to persuade the Government of Free Viet Nam to establish a National Assembly as soon as possible which would be endowed with authority to draw up a constitution

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[1] Source: Department of State, S/P–NSC Files: Lot 62 D 1, NSC 5519 Series. Top Secret. Transmitted to the NSC Planning Board under cover of a memorandum by Lay, October 12, for information and use in its review of paragraph 5–d of NSC 5429/5. A copy of this study, located *ibid.*, S/P Files: Lot 66 D 70, S/P Record Copies, June–Dec. 1955, indicates that Stelle was the drafter.

[2] Document 244.

[3] Enclosure to Memo for NSC, "U.S. Policy in the Event of a Renewal of Aggression in Vietnam", September 16, 1955. [Footnote in the source text; see Document 254.]

to determine the relationship of Viet Nam with France and other countries, and declare the official position of Free Viet Nam with respect to the pre-election consultations with the Viet Minh and the elections called for under the Geneva agreement.

4. The US could also undertake political action to assist in establishing military deterrents to aggression such as arranging facilities for introduction of US mobile ground forces into the Southeast Asian area should such commitment of forces be decided upon. US political action would also be helpful if improvement of bases in Thailand or other areas in Southeast Asia were required.

Action in the Event of Aggression

5. In the event of Viet Minh overt aggression, the US should stimulate an official Viet Namese request to the Manila Pact signatories for assistance under the protocol to the Pact and Article IV of the treaty. The US should strongly support the Viet Namese request and use its influence to secure action by the members of the Pact under their treaty obligation.

6. The US should stimulate and assist a Viet Nam initiative to bring the issue to the Security Council of the United Nations in an effort to secure condemnation of the Viet Minh and a UN resolution calling for a cessation of aggression. The US should consider in the light of the circumstances at the time whether or not it should seek designation as United Nations Commander in an organized UN action.

7. The US would undoubtedly have to insist that a supreme command of any forces contributed either under the Manila Pact or under the United Nations should be vested in the US. The US would have to arrange for such command in a way to avoid derogation of the sovereignty of Free Viet Nam. It should emphasize that Free Viet Nam had formerly called upon its Manila Pact protectors to deploy troops within its territory to repel Viet Minh aggression. It should emphasize the fact that US exercise of supreme command and the presence of foreign forces in Viet Nam were strictly temporary phenomena and should allay any suspicion that the US intended to establish a colonial regime.

B. Economic:

8. Viet Minh aggression and consequent introduction of foreign troops into Free Viet Nam would seriously upset the Viet Namese economic pattern. The production of paddy and rubber would be further reduced. Support of forces would necessarily come from abroad. Viet Nam would become even more dependent upon foreign aid. Military necessity would require Viet Nam to accept increased foreign control of its economic affairs. Matters such as foreign ex-

change, and international trade would have to be delegated to the Supreme Military Command. The US would have to be prepared to extend substantial economic assistance to Viet Nam and to exercise a considerable degree of economic authority.

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266. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, October 14, 1955—6 p.m.

1672. Ref: Deptel sent Saigon 1192 Paris 1314.[2]

1. We fully share Department's concern that central authority of Diem govt not be weakened by premature creation unruly Assembly. We believe, however, that Diem govt can be depended on not to permit such situation to arise, and that greater danger exists that once government has developed stable executive leadership, it may postpone broadening democratic base of govt beyond point where this both feasible and desirable. Optimum procedure and timetable clearly dependent on a number of variables, many of which we cannot hope to influence, and some of which are not yet fully known.

2. Assessment of when Assembly elections can and should be held depends on type of elections (which not yet decided), evidence (yet to be shown) of govt ability to organize elections, and indication (as yet inconclusive) of general temper of electorate.

3. Present govt program has advantage of proceeding in stages from safest to most risky step, and of permitting thereby progress in implementing subsequent steps to be predicated on results of earlier ones. It can be assumed that govt's decision regarding both date and type of elections for National Assembly will be dependent on: (a) results of referenda and communal and municipal elections; (b) progress in development efficient party organization with suitable candidates; and (c) general political climate prevailing at time, including internal and external pressures for such elections.

4. Actual method of bringing about National Assembly, choice of which will depend on factors mentioned in para 3, could vary from actually holding direct elections to extreme of appointing one and having it confirmed by third referendum. Plan to hold direct elections in December seems highly unrealistic in view of: (a) time

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[1] Source: Department of State, Central Files, 751G.00/10–1455. Secret. Repeated for information to Paris.

[2] Document 264.

required to prepare mechanics of elections (including screening of candidates) and government's lack of experience in field; (b) inadequacy of present organization of government parties in terms waging campaign and presenting suitable candidates; and (c) unstable security conditions still prevailing in parts of south and center. We believe that, if direct elections are held, they will be postponed beyond December, and that if original schedule adhered to, some procedure other than direct elections will be resorted to. Subject to evidence yet to unfold in coming weeks, we continue to view indirect elections as best suited to overall situation, and solution most likely eventually to be adopted.

5. Kind of Assembly which would result from elections at any specified time depends, of course, on factors mentioned in para 2 and on degree to which elections are controlled (i.e. screening of candidates and voters, intimidation of opposition, freedom of electioneering, etc.). As Department is aware, any estimate of actual relative strength of parties and groups in Free Vietnam today is highly speculative in view of absence of any previous free expression of popular will and absence of any legal means for anti-Diem elements to voice their views today. It is highly doubtful, however, that Diem supporters would command a majority in South Vietnam today in completely free direct elections for an Assembly. Diem would presumably fare better in center. As stated above, however, we believe Diem can be counted on to proceed cautiously, and to see to it that Assembly if and when created contains comfortable govt majority. Cao Dai have already indicated that they would like to form focal point of legal opposition to Diem within Assembly around which other anti-Communist elements opposed to Diem could gather. Diem himself has indicated a preference for the emergence of a two-party system similiar to US model rather than a plethora of parties along French style. Whether Diem would ever permit creation of opposition of type envisaged by Cao Dai is questionable. It would certainly depend, at very least, on his conviction that his own majority would be substantial.

Reinhardt

267. Memorandum From the Secretary of State's Acting Special Assistant for Intelligence (Howe) to the Acting Secretary of State[1]

Washington, October 26, 1955.

SUBJECT

NIE 63.1–3–55: Probable Developments in Vietnam to July 1956[2]

On October 11, 1955, the Intelligence Advisory Committee approved an estimate of probable developments in Vietnam to July 1956. The principal conclusions of this estimate were:

1. At least until July 1956, the Viet Minh will probably continue to concentrate primarily on a "political struggle" designed to exert pressure for implementation of the Geneva agreements and to bring to power in the south personalities amenable to coalition government with the Viet Minh.

2. The Communists probably recognize, however, that unless they effectively challenge the position of the Diem government the latter will gradually strengthen and stabilize its position. They might therefore decide to initiate guerrilla warfare in the south, provided such action was consistent with over-all Bloc policies and provided they estimated that such a course would not provoke Manila Pact counteractions.

3. Should the Viet Minh initiate large-scale guerrilla operations, supported by substantial infiltration from the north, the south Vietnamese government could not long survive without military assistance from outside. However, the Vietnamese National Army probably could maintain the government in power against potential Viet Minh opposition now in South Vietnam, and could retain control of major urban centers and lines of communication.

4. If Diem continues to receive wholehearted US support, he will probably be able to cope successfully with non-Communist dissident elements.

5. Diem will almost certainly not agree to hold national elections for the unification of Vietnam by July 1956. Although Diem, under Western pressure, might reluctantly agree to indirect consultations with the DRV concerning elections, he would insist on conditions which he felt certain the Communists would be unable to accept. Aware that such a position will probably cause the Viet Minh to increase their efforts to destroy his government, Diem will probably seek to bind the US more specifically to the defense of Vietnam.

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[1] Source: Department of State, Central Files, 751G.00/10–2655. Secret.

[2] Dated October 11, not printed. (*Ibid.*, INR Files)

This estimate will be released to the UK, Canada, Australia, and New Zealand.

Fisher Howe

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268. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, October 25, 1955—9 p.m.

1846. 1. On basis information available 7 p.m. October 25 Bao Dai–Diem referendum characterized by (a) energetic, one-sided pre-election campaign in favor Diem, (b) absence of freedom for opposition propaganda, (c) large participation in voting, (d) secrecy of balloting, (e) apparently honest tabulation of votes, (f) orderliness of voting and absence any serious incidents before, during or after voting, and (g) landslide for Diem (approximately 98 percent of votes).[2]

2. First conclusion is that referendum proved resounding success for Diem government. Results do not necessarily prove Diem commands even majority support in Free Vietnam, in view Bao Dai lack of popularity, but show government able to carry out almost unchallenged popular consultation. Diem's success lay less in victory percentage than in large turnout and fact voting carried out in democratic fashion without significant incidents.

3. Referendum would also seem to indicate Viet Minh potential for creating political disorder has been generally overestimated. Although Communists may not have wished become openly identified with Bao Dai or create open disorder at this juncture, it hard to believe they would have willingly permitted such an impressive show of Diem government strength (which bound to increase Diem prestige at expense of Communists) go unchallenged. Hanoi Radio had carried strong appeals to voters to boycott referendum. Except in few areas where Hoa Hao fighting taking place, participation generally over 90 percent of registered voters.

4. Anti-Communist nationalists opposed to Diem in south have attempted belittle referendum and have claimed people irked by one-

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[1] Source: Department of State, Central Files, 751G.00/10–2555. Secret; Priority. Repeated for information to Paris, Vientiane, London, Phnom Penh, Ottawa, and New Delhi.

[2] According to telegram 1849 from Saigon, October 26, the final official results were: for Diem 5,960,302 (98.2 percent); for Bao Dai 63,017 (1.1 percent); invalid votes 44,155 (0.7 percent). (*Ibid.*, 751G.00/10–2655)

sided pro-Diem campaign. Again fact so few persons apparently voted against Diem in spite of opportunity would tend to cast serious doubts validity this claim.

5. Finally it would seem to us that results referendum render unlikely Bao Dai will be able to play significant role in future. Fact he so overwhelmingly repudiated in Free Vietnam means not only that he can expect little indigenous support but renders also improbable DRV regime or Communist bloc in general will consider Bao Dai useful tool for their purposes.

6. We have impression that government leaders are pleasantly surprised at their own success, and that electorate, particularly the women, enjoyed new experience.[3]

Reinhardt

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[3] More detail and analysis by the Embassy of the Diem–Bao Dai referendum is in Document 278.

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269. Letter From the Director of the Office of Philippine and Southeast Asian Affairs (Young) to the Ambassador in Vietnam (Reinhardt)[1]

Washington, October 27, 1955.

DEAR FRED: The first stage in Viet-Nam's political transformation has taken place, perhaps with better results and in a more convincing manner than what had been expected, although I am sure we have not heard the last from Bao Dai and his entourage. This plebiscite and the rejection of Bao Dai in Free Viet-Nam came upon us rather suddenly and obliquely. It turned out all right but it might have run off the tracks. I wish that Diem and his people had given us a little more forewarning and official notification of their intentions and their program. There were one or two tricky aspects of this plebiscite. For example, it now may mean that the Republic of Viet-Nam is limited de facto to the area south of the 17th parallel, for that is the only territory in which the voting was conducted, while the State of Viet-Nam has covered the entire territory of Viet-Nam juridically speaking. However, this may not be of much real importance since it has clarified Diem's status, removed Bao Dai's hand, and the Viet Minh control of the north anyway. At this point we are not certain what, if anything, will happen at the Foreign Ministers talks in Geneva. According to Walter Robertson and Doug MacArthur, the Secretary was adamant against any four power discussion of non-agenda items.[2] However, Molotov told Pearson Viet-Nam should be taken up at Geneva,[3] and the British, somewhat chagrined over their dangling role of co-Chairman, seem resigned and susceptible. Perhaps we can hold off until an assembly is formed in Viet-Nam.

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[1] Source: Department of State, FE/SEA Files: Lot 58 D 207, SEA, Viet-Nam Correspondence—1955. Confidential; Official–Informal.

We are now thinking here of what comes next politically in Viet-Nam, but we are not altogether clear about the next two stages as reported in your 1468 of September 28.[4] The second referendum is a little over four weeks away if still held. Again the press will plague us for comments and guidance on the draft constitution as well as elections on the national assembly. I hope that the Embassy can send in copies of the constitution as soon as available. Also we would depend a great deal on the normal reporting of the political thinking and decisions regarding the constitution and the elections.

I was very interested in your 1672 of October 14[5] replying to our 1192.[6] There certainly are a number of unknown and variable factors which confirm the practical advantage of the government's program of proceeding in stages from the safest to the most risky step. I am still worried about the complexion and consequences of an assembly, although I appreciate the need for some democratic process. The lads in Policy Planning are also worried about this same thing. So, in my view also, indirect elections would seem best suited at this time, or perhaps the timing could be pushed back. If a national assembly is created in December or January, then political problems as well as economic matters will probably come to a head in the first six months of 1956. We assume here an assembly would oppose the Geneva declaration on elections and also direct consultations with the Viet Minh. What will the latter do then?

In connection with my comment above on the reporting, I wonder if we in the Department were not too critical and stringent when we were talking with you and Dan Anderson regarding telegraphic volume while Collins and Sturm were in Saigon. We spoke of this so often and with such feeling that we may have inadvertently left the impression that telegraphic correspondence to and from Saigon should be cut to the bone. Perhaps we have gone to the other extreme in our own telegrams to you. I wonder if we are filling you in adequately and quickly enough on the Washington aspects of Vietnamese as well as general problems. If we are not, please let me know. By the same token, I would not be at all adverse to seeing some increase in the political reporting by telegram from the Embassy. I think there are some aspects of the plebiscite that could have been reported to us that would have helped in establishing our general outlook towards it and in our handling of the press. Just for example, it would have helped us if we had had a report on the type of ballot, the organization of the referendum and the conditions under which it would be held. These were all questions which the press began asking us as soon as the announcement was made in Saigon. We were somewhat handicapped in not having a summary from the Embassy. I mention this matter of reporting because there continues to be a very great interest in the future of Viet-Nam in high levels in the United States Government, and we need plenty of background information in dealing with the British and French Governments which we do via the Embassies here. I have discussed this item of reporting with Bob Hoey and Paul Kattenburg to be sure I have the right perspective.

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[2] The formal expression of the Secretary's view that the Foreign Ministers Conference at Geneva, October 27–November 16, 1955, should limit its discussion to the agenda questions of Germany and European security, disarmament, and developments of contacts between east and west is set forth in telegram 1397 to Paris, October 12. (*Ibid.*, Central Files, 396.1–GE/10–1255)

[3] A report of Pearson's discussion with Molotov in Moscow, including reference to Indochina, is attached to a memorandum of discussion between Dulles and the Canadian Ambassador, by Outerbridge Horsey, Director of the Office of British Commonwealth and Northern European Affairs, October 14. (*Ibid.*, Secretary's Memoranda of Conversation: Lot 64 D 199)

[4] See footnote 2, Document 259.

[5] Document 266.

[6] Document 264.

Sincerely,

Kenneth T. Young, Jr.

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270. Telegram From the Ambassador in France (Dillon) to the Department of State[1]

Paris, October 31, 1955—8 p.m.

2157. ReDeptel 1704.[2] Roux seized occasion our visit this morning to raise subject Franco-Vietnamese relations. Speaking personally, he said he aware "equivocal" nature French policy towards Vietnam in March/April period this year, Binh Xuyen role etc, and he wished tell us he had been personally distressed by it (this first time key

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[1] Source: Department of State, Central Files, 651.51G/10–3155. Secret. Repeated for information to Saigon and London.

[2] In this telegram, October 27, the Department informed the Embassy of the gist of a conversation on that same day with French Embassy officials in which Department officers expressed concern that Franco-Vietnamese military discussions were suspended. (*Ibid.*, 751G.00/10–2555)

French official has made such statement and we would appreciate source not being quoted). However, Roux said, French had adopted different line thereafter as we well knew. But, he said, Diem's handling of France recently making job French officials concerned with IC affairs almost impossible. Roux said he wanted us to know that it had not been easy obtain French position supporting results referendum and jettisoning Bao Dai. French elements traditionally hostile Diem and favorable Bao Dai had been overpowered, but not without difficulty. Instead of any gesture on Diem's part to release two French officers[3] following referendum as had been hoped, Roux noted that Diem had only seen fit thus far to renounce Franco-Vietnamese commercial agreement[4] (we gathered Hoppenot will approach Diem re opening talks this score).

Re FEC (and we took occasion confirm to Roux substance Dept's conversation Pelletier contained reftel), Roux made clear that internal French political situation militated against French Govt agreeing talks prior settlement two officer question plus fact it unlikely military talks could take place in favorable atmosphere while this question still in abeyance. Roux reiterated that as soon this question settled, France ready begin talks and continued remain disposed consider Vietnamese request for retention residual force. Re latter consideration, Roux said they under impression training and development VNA thus far had failed come up to expectations, that VNA ability fill gap that would be created by FEC withdrawal questionable, and that MAAG Saigon shared this view (we declined discuss on basis no info). Roux stressed, however, French political pressures mounting for complete and immediate withdrawal FEC and that if two officer question not resolved soon so that talks could begin, there would be nothing talk about.

(In talking subsequently Roux's deputy, latter reiterated impossibility obtaining French Govt agreement open military talks until question two officers resolved, and questioned utility holding such talks until air cleared this regard. We asked what effect complete FEC withdrawal would have on Fr military missions Cambodia, Laos, and French units Seno. Roux's deputy stressed while complete FEC withdrawal from South Vietnam would not affect French military training missions Cambodia and Laos, it likely result in pressure pull French units out of Seno as part policy liquidation all French military bases IC.)

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[3] The reference is to a Franco-Vietnamese difference over the arrest by Vietnamese authorities of two French military officers charged with bombing electric power stations in Saigon. Diem announced his intention of trying these two officers in Vietnamese courts and the French refused to proceed with the military talks until the officers were turned over to their custody. (Telegrams 1460 and 1757 from Paris, September 29 and October 14; *ibid.*, 751G.00/9–2955 and 751G.00/10–1455, respectively)

[4] According to telegram 1927 from Saigon, November 2, the Vietnamese Government on October 31 denounced the Franco-Vietnamese Monetary and Commercial Agreement which was to come into effect December 31. If not renegotiated, denunciation of this agreement would eliminate the 15 percent French customs tariff preference and the requirement that all foreign exchange, including U.S. dollar aid to Vietnam, pass through the French stabilization fund. (*Ibid.*, 751G.5–MSP/11–255)

Comment: With IC affairs now lodged in Quai, Jacques Roux becomes in our opinion key voice as regards IC in French official circles. We have always found him disposed take objective view IC matters and we have gained impression he has always taken lead in French official circles to effect rapprochement between French and United States views when divergences occurred. He in effect this morning admitted that while past hadn't been all that it might, basis for continued Franco-Vietnamese cooperation can still be found if Vietnamese willing and if Diem prepared take into account French position sensibilities and follow more adroit line in dealing with French. Roux conveyed impression he thought question two officers had been allowed assume level out of all proportion merits and that Diem might have handled denunciation commercial agreement in manner less likely offend French sensibilities and at least not timed it for morrow referendum.

We feel Roux and Quai disposed try help and cooperate with Diem govt; for that reason we feel Diem should try strengthen hand this group to extent possible. From here, it looks as though law diminishing returns has long since run its course on two officers and that gesture from Diem this regard only practical hope getting military talks under way. We continue see no way getting French agree to begin talks until question officers resolved.

It not entirely clear to us here, however, exactly what Vietnamese trying achieve in military talks. If Vietnamese feel VNA not ready take over responsibilities now assumed by FEC and really wish see French military presence retained, they must realize that the burden is upon them to convince French military keep residual force South Vietnam since, according our info, French are not prepared pay very high price for privilege retaining troops South Vietnam for prestige reasons with risk possible eventual involvement in hostilities with Vietminh. In fact, all evidence points to early and complete withdrawal FEC unless Vietnamese persuade French remain. We presume that Vietnamese Delegation would not have been willing to pursue and exhaust in course some two months at Paris possibility obtaining French agreement Vietnamese terms for retention residual force South Vietnam if they had not hoped way might be found do so. Otherwise, we presume Vietnamese Delegation on arrival Paris in Aug would have expressed desire to negotiate purely and simply terms withdrawal FEC along lines agreed prior departure and would not have engaged in what was perhaps a useful but unrealistic exercise to satisfy themselves French not prepared enter into written engagement of nature desired by them as basis retention FEC force South Vietnam. As consequence, we strongly feel that when and if military talks do begin, Vietnamese Delegation come Paris either prepared seek complete withdrawal FEC or if they wish retention FEC force, they reconcile themselves to reaching compromise solution with French on Vietnamese preconditions posed by Nhu.

Dillon

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271. Memorandum of a Conversation, Saigon, November 7, 1955[1]

PARTICIPANTS

President Diem
Ambassador Reinhardt
General O'Daniel
General Williams

During President Diem's discussion of his urgent need for village auto-defense units,[2] I asked him to clarify his long-term intentions with respect to the police organization of Viet-Nam. In reply to my several questions, he said it was his definite purpose to develop in Vietnam a police system along the lines which had been recommended consisting of Metropolitan Police, Garde Civile for the countryside and the National Sûreté. He made it very clear that it was not his intention that the Garde Civile should be an adjunct to the army, but he went on to say that it was inevitable that for some time it would have, in effect, to function in large measure as an auxiliary force to the military. Until the widespread illegal possession of arms had been reduced to manageable proportions and the Viet Minh capability for armed intervention in the countryside had been removed, it made little sense to expose the yet inadequately trained and inadequately armed Garde Civile to the sub-machine gun fire of Viet Minh guerrillas. The process of pacification had still a long way to go before it would be possible for members of the Garde Civile to patrol the countryside in groups of two or three as do the rural police of less disturbed countries. He added that one of the causes of confusion with respect to the development of the Garde Civile was the old-fashioned view of some of the bureaucrats in the Ministry of the Interior who still seemed to think of the Garde Civile as a sort of honor guard for a Chef de Province. They did not recognize the critical nature of the present emergency and resisted his orders that units of the Garde be assigned to the military in circumstances where this was required. He commented in passing that, in the Philippines, President Magsaysay had apparently not yet reached the point where he felt he could return his Garde Civile to the Ministry of the Interior where it, of course, belonged.

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[1] Source: Center of Military History, O'Daniel Papers. Secret.

[2] For a memorandum of this portion of the conversation, see Document 276.

G. Frederick Reinhardt[3]

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[3] Printed from a carbon copy which bears this typed signature.

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272. Memorandum of Discussion at a Meeting of the Operations Coordinating Board's Special Working Group on Vietnam, Department of State, Washington, November 7, 1955, 3 p.m.[1]

MEMBERS PRESENT

State—Mr. Kenneth T. Young, Jr., Chairman
Defense—Absent
CIA—Mr. Archibald Sampson
ICA—Mr. Frederick Bunting
USIA—Mr. James Flood
Treasury—Absent
Commerce—Mr. Davis A. Kerns-Preston
Agriculture—Absent
OCB—Mr. Kenneth P. Landon

OTHERS PRESENT

Saigon—Col. E. G. Lansdale; Lt. Rufus Phillips
State—Mr. Robert Hoey; Mr. Hoyt Price; Mr. L.S. Tyson; Mr. P.M. Kattenburg; Miss Patricia Byrne
ICA—Mr. Paul D. Summers
BOB—Mr. Austin Ivory
OCB—Gen. Dale O. Smith; Dr. E.P. Lilly

1. The Chairman referred to Soviet efforts in connection with the Geneva provisions for elections to unify North and South Vietnam, and commented that the Soviet Government had suggested a consultative conference between the two zones to encourage the idea of such elections. The Soviets have been talking with the British and

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[1] Source: Department of State, OCB Files: Lot 62 D 430, Southeast Asia. Secret. Prepared by Landon on November 8.

apparently are prepared to exert some pressure to secure the desired elections.[2]

2. The Chairman then introduced Col. E.G. Lansdale and Lt. Rufus Phillips, from Saigon, who have been engaged in special activities in connection with the Diem Government. Their joint observations in substance were:

a. Our work in Vietnam was aimed to bring about unity between the Diem Government and the general population in order to offset any attraction the communist Viet Minh state might have for the people. One problem was how to overcome the suspicions of the various political and religious groups in Vietnam. The political parties tended to act in a clandestine fashion, regardless of whether they were in support of, or in opposition to, the government. They knew no other way to operate as a result of their colonial experience. Our problem, in part, was to develop open politics so that problems could be discussed openly and democratic processes would be possible.

b. The main target of the communists was the army of Vietnam and not directly the Diem Government. Our efforts were aimed to improve the morale of the army, and its relations with the village population. It was a new army and had no code of behavior. In the beginning the soldiers went about with their families like gypsies and would go through a village community like a cloud of locusts, depriving them of their rice and their pigs. As a consequence, the people would welcome Viet Minh soldiers more than the Vietnamese. Our program, in the beginning, concentrated on teaching the soldiers how soldiers should behave. Camps were set up for their families and proper procurement methods were used to feed and care for the soldiers. The methods used proved successful and the population became friendly to the army when they saw that the army behaved properly. This led to improved intelligence on communist activities. Campaigns carried on against the Hoa Hao demonstrated the success of these methods because the Vietnamese Army was dependent upon the villagers for support.

c. There was also a heavy training program to prepare the Vietnamese Army to fight. Their morale was developed to a high point and they became very cocky. Their campaign against the Binh Xuyen gave them experience. Where the French had failed, the Vietnamese succeeded in the swamps of the southern part of the country. The troops marched through swamps and defeated the Binh Xuyen. The leadership of the army was important, as the general officers had advanced rapidly from being lieutenants and captains. They learned obedience, but as generals they had to learn how to think. Leaders were frequently from favored families and had been educated outside of Vietnam, usually in France. They did not understand the mental attitudes of their own troops. A new course of training was launched to accustom officers and troops to be together. They were put in teams of 100 without distinction of rank, and for five weeks they lived and trained together. Those who showed ability received automatic raises in rank and those who failed were dropped as officers. The Vietnamese Government is cooperating to develop a tough officer staff which can work with the troops. There is a new spirit in the army and the officer corps.

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[2] For an account of such pressure, see the letter from Macmillan to Dulles, *infra*.

d. Earlier, when the army moved into a Viet Minh area, the communists used scorched-earth tactics. The Vietnamese Army developed a relief system for the stricken population by distributing rice, reconstructing roads, and opening wells. When the people saw the Vietnamese Army behave better than the communist army, the populace gave them their loyalty and every possible support. The reason was the concrete and substantive relief which the army brought to the people.

e. Operation Brotherhood,[3] supported by the Philippines, gave an added psychological support in convincing the people that they were being considered not only by their own govenment but by foreign governments.

f. Viet Minh promises have been counter-productive as a result of the good treatment provided by the Vietnamese Army. The communists had promised land reform and the fulfillment of all dreams, but, as time dragged on and nothing happened, the people became tired of the communists and in some regions the communists suffered a psychological defeat. This was less true, however, in the South where the communists remained strong. Many people in this area accepted the communists' promise to return in 1956.

g. A Civic Action Program was started last January by the Vietnamese Government in an effort to teach government officials to serve the people and to convince the people that their officials were interested in them. Groups of bureaucrats were made to dress like peasants and to work in teams with the villagers to get them to understand their own problems. These government employees were drawn from several ministries and attempted to help people solve their own public health problems, their irrigation problems, their educational problems, their legal problems, and others. A team would begin by launching a village council and getting the village council to express its problems, and then to discuss possible solutions. They erected schools and meeting halls and brought the central government and the villages psychologically closer together. The Prime Minister believes that this program is his main hope for the future. It is still run on a financial shoestring. Civic Action Teams have already been in 10 provinces and the hope is to have them in every district in Vietnam by January 1956. The teams are not tied in with any political parties.

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[3] Operation Brotherhood was a program sponsored by the International Junior Chambers of Commerce and strongly endorsed and aided by Lansdale. Under the program, Filipino doctors and nurses volunteered for medical duty in free clinics in South Vietnam. For Lansdale's account of the operation, see *In the Midst of Wars*, pp. 168–170.

Some ICA money is being devoted to Civic Action programs and it is expected that more will be utilized in 1956. In this connection ICA's A–256, of October 7,[4] provides the first official despatch on this subject. (A draft telegram was distributed during the discussion to query Saigon about Civic Action programs for 1956 in the light of A–256 of October 7.) Considerable ICA material is already being utilized in the various ministries and ICA kits are in evidence in the field. As yet there is no official Vietnamese Government request for aid in the Civic Action Program, as it is not yet regarded as a program separate from the diverse programs in the various ministries. The activities of the various ministries are coordinated by a Mr. Kung who dresses as a villager and mingles with the people. It will probably be necessary to provide him with some additional financial strength but the intention is to avoid building a separate ministry devoted to civic action or community development. This is a program, at any rate, that is strictly Vietnamese and U.S. assistance is peripheral.

Instruction as to civic responsibility is provided by the Ministry of Information. Part of the problem has been to avoid the errors of the communists in promising too much from civic action. Actions speak louder than words and so the Ministry of Information people have been restrained from promising too much. The program is aimed to give practical activation and to help villagers to solve their own problems.

h. In the South, if the communists start terrorist actions of which they are capable, the Vietnamese Army is confident they could defeat them. Politically, communists have capabilities in the government and in the villages so this is a race between our counter-subversives and the communist-subversives. The communists are very tough and difficult to cope with, and they are well-trained. On the government side many political-minded people engage in counter-subversion. A civilian watch group is being developed to help report on the communist groups. Civic action and coordinated programs seem to offer hope to tie closely together the central government and the village people.

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[4] Toica A–256, October 7, was a 22-page despatch consisting of Lansdale's optimistic description of the "Civic Action" program as conceived by its sponsors and Wolf Ladejinsky's more guarded appraisal based on 3 days of field observation. (Washington National Records Center, ICA Message Files: FRC 57 A 248, Box 104, Vietnam)

3. The meeting adjourned until 3:00 p.m., November 14, Room 5106 New State Building, at which time problems in connection with Laos and Cambodia will be discussed and, in conjunction with working group members in the NSC 5405 committee, a first draft of the Progress Report on Southeast Asia (NSC 5405) will be considered.

Kenneth P. Landon

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273. Letter From the British Foreign Secretary (Macmillan) to the Secretary of State[1]

Geneva, November 9, 1955.

Dear Foster: Mr. Molotov called on me, at his own request, on November 4, and spoke about Vietnam, and particularly the message addressed to him and to myself by Mr. Chou En-lai on October 31. The text of this message has already been communicated to your Government, as well as to the remaining Members of the Geneva Conference and the three Supervisory Powers, but I enclose another copy for ease of reference.[2] Mr. Molotov and I are to meet again on November 10, having agreed that we could not have any useful discussion before the Chinese message had been circulated.

Mr. Molotov and I discussed Vietnam in New York at the end of September and I then suggested that Mr. Diem must be allowed to consolidate his own internal position before he could be expected to move towards elections of the kind envisaged by the Geneva Agreements. On November 4 Mr. Molotov pointed out that Mr. Diem had still made no such move.

At our meeting on November 10, Mr. Molotov may bring up, in addition to Mr. Chou En-lai's letter, the Fourth Interim Report of the International Supervisory Commission for Vietnam. Copies of this will eventually be communicated to your Government in the usual way, but I enclose one for your confidential advance information.[3] It is severely critical of the Vietnamese attitude towards the Geneva Agreements and in paragraph 45 calls for action by the two Co-Chairmen. A similar suggestion, you will remember, was made some time ago by the Government of India. On top of all this, Vietminh and Chinese propaganda about the Vietnamese evasion of the Geneva Agreements has recently increased and sharpened, while Mr. Diem continues to refuse the least gesture towards compliance. It looks as though the Communists are not prepared to acquiesce in our stalling tactics for much longer.

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[1] Source: Department of State, Central Files, 751G.00/11–955. Confidential. Both Dulles and Macmillan were at the Foreign Ministers Conference at Geneva.

[2] Not found attached. A text of Chou En-lai's letter to the Geneva cochairmen is in Tosec 189 to Geneva, November 7. In this letter Chou stated that the DRV had made numerous efforts to implement the provisions of the Geneva Accords calling for free elections, but was rebuffed by Ngo Dinh Diem's government's refusal, openly supported by the United States, to hold consultations on the issue. Chou went on to charge that Diem was in fact bound by the Geneva Agreements as a successor government to the French who signed on behalf of South Vietnam. Finally, Chou argued that Diem's statement that conditions in North Vietnam precluded consultations was untenable because those conditions were precisely what should be discussed at the consultative conference. (*Ibid.*, FE/SEA Files: Lot 58 D 266, Vietnam—Geneva, Nov. 1955)

I have certain suggestions for dealing with Mr. Molotov's likely criticisms which I should like to discuss with you and Monsieur Pinay beforehand.[4] I have it in mind to confine discussion to the Chinese message and the commission's report. If I cannot persuade Mr. Molotov that discussion of Mr. Chou En-lai's message should be deferred until all Members of the Conference have commented, I shall make use of such comment as I have received and point out for myself that the Chinese are wrong in suggesting that the Geneva Agreements require a consultative conference. Only "consultations" are specified and these can as well take place by exchange of messages as across a table. I might suggest that the Vietminh should respond to the recent Vietnamese message which reaffirmed their adherence to the principle of unification by elections, provided the elections are genuinely free and democratic;[5] let the Vietminh now put forward concrete proposals to this end. As the Chinese message says, the object of the consultations specified by the Geneva Agreements is to reach agreement on this point.

On the Fourth Interim Report I should like to take the initiative, in the hope that my anodyne proposals may forestall—as in the case of the Vietminh message of August 17—Soviet pressure for more drastic and embarrassing action. For this purpose I would propose to Mr. Molotov that the two of us, as Co-Chairmen, should transmit the enclosed message to Members of the Geneva Conference and to the three Supervisory Powers.[6] I do not know whether Mr. Molotov will let me get away with this, but, if he does, it may help with the Indian Government and British public opinion.

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[3] Not found attached. For text, see Great Britain, Parliamentary Papers by Command, "Fourth Interim Report of the International Commission for Supervision and Control in Vietnam, April 11, 1955–August 10, 1955". (London, Her Majesty's Stationery Office, *Cmd. 9654*, 1955)

[4] For a report of that discussion, see Secto 279, *infra*.

[5] The reference apparently is to a letter from South Vietnamese Foreign Minister Vu Van Mau, October 7, to Macmillan in which Mau reiterated the Republic of Vietnam position on consultations and elections as stated in its declarations of July 16 and August 9. (Telegram 1564, October 6; Department of State, Central Files, 751G.00/10–655; see also Cameron, *Viet Nam Crisis*, vol. I, p. 415, footnote 8)

Of course, if Mr. Molotov presses me too hard on Vietnam, I shall tackle him on Laos and point out that his friends are even more in the wrong there than ours in Vietnam.

If there is anything in this that you do not agree with or if you can suggest anything else I might say to Mr. Molotov, I hope you will let me have your views as soon as possible.

I am sending a similar letter to Monsieur Pinay.

Yours,

Harold Macmillan

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[6] This proposed reply was attached to a copy of the Macmillan letter to Dulles in Department of State, FE/SEA Files: Lot 58 D 266, Vietnam—Geneva, Nov. 1955. In it the Geneva cochairmen "noted with concern" the references in the Fourth Interim Report of the ICC to inadequate cooperation received from authorities in both zones and expressed the hope that the authorities in the north and south would take steps to ensure full cooperation with the ICC in the future.

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274. Telegram From the Secretary of State to the Department of State[1]

Geneva, November 13, 1955—6 p.m.

Secto 279. Re Tosec 231, November 11.[2] During meeting Saturday, November 12, Secretary and Macmillan together with DeMargerie in absence Pinay, Macmillan mentioned Vietnam and discussed forthcoming visit from Molotov scheduled Monday.[3] Mentioned Chou En-lai letter and Fourth Interim Report International Supervisory Commission.

Macmillan outlined substance reply[4] he proposes make to Molotov with regard Chou En-lai letter. Secretary mentioned Mau letter[5] and Macmillan said he thought he might make mention of oblique reference in Mau letter to subject general elections Vietnam but his principal point would be that Geneva Agreements only called for consultations and do not specify form this should take.

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[1] Source: Department of State, Central Files, 396.1–GE/11–1355. Secret. Repeated for information to Paris, London, and Saigon.

[2] In this telegram the Department expressed its concern over "British defensiveness in their attitude toward talks with Molotov" on Vietnam, and suggested that Macmillan take a firmer line and reject any attempt by Molotov to link the Fourth Interim Report of the ICC and the question of consultations-elections. The Department strongly endorsed the position that the ICC had no jurisdiction or relevance to the subject of consultations-elections. (*Ibid.*, 396.1–GE/11–1155)

[3] November 14.

[4] See footnote 6, *supra*.

[5] See footnote 5, *supra*.

Secretary asked Macmillan whether he intended raise subject Laos. Macmillan said that for some reason Soviets had not been pressing too hard on Vietnam and that perhaps there might have been some problem between them and Chinese Communists. He thought he would not raise Laos unless Molotov pressed him hard on Vietnam. French observed that while obvious there has been clear violation of Agreements by Communists in Laos, might be undesirable raise matter at this juncture unless Molotov presses hard on Vietnam because might not be to advantage of West to draw attention to Laos, in view weakness government. Macmillan said he wanted avoid formal meeting of the two co-chairmen of 1954 Geneva Conference and would much rather keep any meetings with Molotov on Indochina on purely informal basis. However if Molotov pressed for formal meeting then he would raise strongly subject Laos.

Secretary made point that International Control Commission has nothing to do with elections in Vietnam. Macmillan agreed and said it was armistice commission only.

Dulles

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275. Telegram From the Secretary of State to the Department of State[1]

Geneva, November 14, 1955—8 p.m.

Secto 293. Re Tosec 231.[2] Molotov called on Macmillan November 14 as arranged and brought up subject of Vietnam. Macmillan and he agreed on following documents which they must consider as co-chairmen: (1) Pham Van Dong letter;[3] (2) Mau letter;[4] (3) Nehru letter;[5] (4) Chou En-lai letter;[6] (5) Report of International Supervisory Commission of October 1.[7]

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[1] Source: Department of State, Central Files, 396.1-GE/11-1455. Secret; Priority. Repeated for information to Saigon, Paris, and London.

[2] See footnote 2, *supra*.

[3] Dated August 17.

[4] See footnote 5, Document 273.

Molotov recalled their conversation in New York and said that although it had been hoped that situation would improve, such was not case. ISC report brought out violations Geneva Agreements and co-chairmen had been slow in taking action. Molotov felt this must be done.

Macmillan agreed position not entirely satisfactory but comments from other members still outstanding. He gave Molotov agreed line on "consultation" and said Mau letter first step this direction. He suggested that perhaps Viet Minh might now come forward with concrete proposals and that he then could if necessary press Diem to pursue matter.

Molotov thereupon suggested that co-chairmen agree on joint letter to other members Geneva conference[8] calling attention to above documents and to fact that Geneva Agreements not being executed in all respects and asking what action might be taken. Macmillan "agreed on the understanding that such communication be sent on informal basis" and emphasized word "informal". If Molotov proposing "formal" basis, Macmillan would have to raise question Laos. According to British "Molotov somewhat demurred about Laos, because talks are going on there". Molotov said if subject Laos were to be raised he would wish raise subject Cambodia since in his view US-Cambodian agreement not in accordance with Geneva Agreements. Nevertheless he thought there was advantage in co-chairmen confining themselves "at any rate for time being" to Vietnam. They might reserve consideration other questions until more suitable time and meanwhile not range over whole field Geneva Agreements. Macmillan agreed that a joint letter should be concerted here in Geneva and UK Delegation have asked Foreign Office send at once draft text to be communicated to Soviet Delegation.

. . . .

Dulles

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[5] No copy of a Nehru letter has been found in Department of State files. According to telegram 993 from London, September 12, an approach was made in the form of a personal message from Nehru to Eden (contained in a memorandum from Madame Pandit to Macmillan) suggesting the desirability of a formal recommendation by the ICC that the two Geneva cochairmen discuss Vietnam while at the U.N. General Assembly in New York later in September. (Department of State, Central Files, 751G.00/9–1255)

[6] See footnote 2, Document 273.

[7] See footnote 3, *ibid.*

[8] For text, dated December 20, see Cameron, *Viet Nam Crisis*, vol. I, pp. 414–415.

276. Despatch From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

No. 156 *Saigon, November 17, 1955.*

SUBJECT

Conversation with President Diem on Village Defense Units

Enclosed for the information of the Department is a memorandum of conversation between President Diem, General O'Daniel, General Williams, and myself on the subject of village auto-defense units, sometimes referred to as rural militia. The development of a system of village auto-defense units, averaging 10 men each for an estimated 6,000 villages, has been much on the minds of high Vietnamese Government officials in the past few months. Embassy telegram 1497, dated September 30,[2] reported President Diem's previous expression of interest in this subject. The recent regrouping of Vietnamese Army units into new divisional organizations, which has given Viet Minh cadres in many sections of the country greater freedom to commit acts of terrorism, has added an extra note of urgency to this problem.

During the past week, [name and title deleted] expounded on the village defense plan at some length to the joint Defense–ICA costing team now in Saigon, headed by Major General William Lawton. In addition to repeating the arguments made by President Diem as reported in the enclosed memorandum of conversation, [name deleted] emphasized the great advantage of having village security protected by local villagers who would be on call twenty four hours a day, and who were thoroughly familiar with local conditions and therefore more likely to be able to detect Viet Minh and dissident sect elements than either the Army or the Garde Civile. [name deleted] also made much of the relative cheapness of this form of protection, pointing out that the members of the rural militia required neither uniforms nor housing and would be paid only 300 piasters a month by the government, plus a rice ration contributed by the village.

The Embassy expects to receive shortly from the Vietnamese Government a written proposal outlining the organization of a village defense corps and asking for US financial support.[3]

G. Frederick Reinhardt

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[1] Source: Department of State, Central Files, 751G.00/11–1755. Secret. Drafted by Reinhardt.

[2] Not printed. (*Ibid.*, 751G.00/9–3055)

[3] In telegram 2254 from Saigon, November 26, the Embassy reported that it had received such a proposal and was considering a response. (*Ibid.*, 751G.00/11–2655) For the Embassy's response, see Document 280.

[Enclosure]

Memorandum of a Conversation, Saigon, November 7, 1955

PARTICIPANTS

President Diem
Ambassador Reinhardt
General O'Daniel
General Williams

When General O'Daniel, General Williams and I called on President Diem the evening of November 7 to discuss US approval of a 150,000 man force level for the Vietnamese Armed Forces, the President took the occasion to make a strong and lengthy plea for US financial support for the immediate development of a system of village auto-defense units. He expounded on the subject for over an hour. His thesis was the urgent need for the development of an adequate defense against continued Viet Minh terrorism and sabotage at the village level in numerous provincial areas of the country. Although this requirement for village defense was one of long standing, as attested by the Ministry of Defense's study on the subject last March, two recent developments which had rendered the situation critical were the regrouping of VNA units into the new divisional organization and the imminence of elections for a National Assembly. Some of his associates were now insisting that if such a system were not organized shortly, it would not be possible to hold the elections as planned. In reply to my query whether the village defense system had not already been inaugurated in various areas, he admitted it had, but insisted that it was a makeshift effort and was being done in part with funds which the Governors had diverted from their proper use and in part on credit. Even this limited undertaking could not go on for more than a month or two on such a basis. His plan was for village defense units averaging ten men each for an estimated 6,000 villages. The men would be paid 500 piasters by the National Government, and their rice would be provided by the individual village. At a later stage in his presentation, the President said that if US financial support were only to the amount of 300 piasters per man, it would still be possible for him to establish the desired organization.

The President said that, in general, the Viet Minh retained a considerable capacity for terrorism and sabotage throughout the country. They were, however, unwilling to reveal the exact magnitude of their capability at this time. They were limiting their terroristic acts to methodical isolated forays calculated to terrorize the villages and to disrupt administrative and economic progress in the countryside. Until recently, the wide deployment of VNA battalions had kept this activity down to a minimum, but the current withdrawal of these units for regrouping into divisional organizations had left many areas uncovered. Both civil and military officials were pressing him for something to fill the gap, and many unit commanders were reluctant for this reason to withdraw their forces from areas occupied at present. He cited as an example of this problem a recent raid carried out by Viet Minh forces during which they burned fifty-seven houses in a village near Long Xuyen the day following the withdrawal of the VNA battalion which had been stationed in the vicinity. The President said that in some areas this methodical Viet Minh action took the form of assassinating one or two notables of a village. This was an effective way of terrorizing their surviving colleagues on the village council.

General O'Daniel asked whether the territorial battalions were being fully utilized to replace the battalions being moved into the new divisional organizations. The President said they were, and that the civil guard was being used to the maximum. The problem, he said, in its simplest terms, was that the resources available were not adequate to meet the total security requirements.

He mentioned as areas particularly troublesome those which have long been recognized as most subject to Viet Minh influence, namely: the plateau area north of Kontum, the mountains behind Quang Ngai from which a raid had been made against the city by some one hundred armed men at the time of the referendum; the whole area between Baria and Phan Thiet, which he said the French had never been able to occupy nor had his government to date; the Plaine des Joncs where there was collaboration between Ba Cut's Hoa Hao remnants and Viet Minh; and finally, the Ca Mau Peninsula. In the course of the foregoing exposé, he mentioned incidentally that there was some evidence that certain Binh Xuyen remnants had succeeded in crossing from Phan Thiet to the Plaine des Joncs where they had joined up with the Hoa Hao and Viet Minh elements operating there. He also mentioned that in their joint operations with sect remnants the Viet Minh had so far used the sects as a cover and had not revealed their own true identity in those exercises.

When asked by General Williams why it was not possible to organize village defense units without putting them on the government payroll, the President said that the economic level of the villages as a result of the many years of war was still too low for the villages to support the expense, and that it was necessary to provide a strong nucleus around which to build morale and the will to self-defense in the villages. He agreed with General Williams' observation that this could only be achieved if the units were properly trained and controlled. Diem went on to say that, traditionally, the villages had had a voluntary police system in which the able bodied men of a village took their turn at serving as night watchmen. This was before the war when there were no firearms in the hands of the people, and the night watchman, who himself was unarmed, had nothing worse to contend with than an occasional sneak thief against whom he could arouse the whole village. During the Indochinese War, on the other hand, a system of auto-defense units in Vietnam had been supported by the French administration. Since they were made up of local personnel who knew the community in which they lived, they had been, in fact, a more effective anti-Communist instrument than the army itself. Unfortunately, these units had been dissolved after Geneva.

I told the President and [title deleted] who was present at the meeting that if they would submit to us a written proposal for US financial support for this project, it would be given the most immediate and sympathetic attention.

G. Frederick Reinhardt

III. LONG-RANGE PLANNING IN SOUTH VIETNAM, NOVEMBER 1955 TO DECEMBER 1957: INTERNAL SECURITY IN SOUTH VIETNAM; THE MAAG CEILING AND TERM; ELECTIONS FOR SOUTH VIETNAM'S NATIONAL ASSEMBLY; NSC CONSIDERATION OF LOCAL AGGRESSION IN VIETNAM; LAND REFORM AND FOREIGN INVESTMENT IN SOUTH VIETNAM; DIEM'S VISIT TO WASHINGTON; U.S. AID TO SOUTH VIETNAM FOR 1958

277. Memorandum From the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Under Secretary of State (Hoover)[1]

Washington, November 22, 1955.

SUBJECT

U.S. Programs in Cambodia, Laos, and Viet-Nam

Discussion

1. I believe the United States Government should now shift from a short-term crash basis to a more long-range planning, and development where feasible in Cambodia, Laos and Viet-Nam. Internal developments in each of the Associated States have reached the point

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[1] Source: Department of State, Central Files, 790.5–MSP/11–2255. Secret. Drafted by Young and Price.

where some long-term planning may be conceivable on political, economic, military, and informational programs. This would apply to all U.S. agencies operating in these countries. U.S. programs in Cambodia, Laos and Viet-Nam arose during the war with the Viet Minh, and we were not permitted by circumstances to do much more than fill urgent needs by the best means we had. The impetus of wartime programming has resulted in a continuation to a large extent of these past practices. Since the Geneva agreements of 1954 we have been operating on an emergency short-term basis. The Special OCB Committee on these three countries has favorably discussed this proposal in general.[2]

2. In our long-range planning in Viet-Nam what should be the political targets in terms of political parties and political movements? Should we consider an economic program including investment in capital goods over a two or three year period for Viet-Nam? In Cambodia what should be our thinking on the long-term security and economic development? In Laos, should we gear our plans to recapturing the control of the two provinces through any means including military, or should we gear our plans to holding on to the ten provinces we have? In all three countries what size military and police forces should we plan for after June 1956? In the over-all picture to what extent should we associate Viet-Nam, Cambodia, and Laos with the SEATO organization and regional economic, political and military plans?

3. Senator Mansfield is worried over the size and impact of our aid program. In his letter of September 20 to you,[3] the Senator expressed the opinion that the operation of the aid program warrants careful study, and that there are elements in the current operation of the program which inhibit its effectiveness in serving the foreign policy of the United States. A reply to this letter is being sent,[4] in-

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[2] See Document 272.

[3] A copy of Mansfield's letter was attached to a memorandum from MacDonald of ICA to Hollister, December 3. In it, Mansfield observed that none of the posts in Southeast Asia had had financial audits for several years, pointed out that it might not be an overstatement to say that aid was being forced on Southeast Asian countries, noted that pay level and allowances for local armies supported in whole or part by U.S. aid was "astonishingly high", and questioned whether many underdeveloped countries in the area were able to absorb requested or appropriated U.S. aid funds. (Washington National Records Center, ICA Director's Files: FRC 61 A 32, Box 313, Vietnam)

[4] This reply had actually been sent on November 17, signed by Hoover as Acting Secretary. In it the Department admitted that audit procedures had been deficient and stated that improvements were being actively undertaken. The reply agreed also that it was pointless to force aid upon countries which did not want it, but, citing Cambodia as a possible example, stated that in some cases it had been necessary to endeavor to induce the government concerned to take steps to improve its competence to deal with a Communist threat to its security before it was too late.

Continued

cluding some of the procedural points included in the attached memo.

4. There is also the question of sending a Bell-type special mission[5] to Viet-Nam as recommended by Senator Mansfield in his report.[6] Aside from the fact that this is a recommendation of one of the most influential and knowledgeable Senators with respect to Viet-Nam, I believe there would be considerable merit in sending such a mission to Viet-Nam, provided the personnel were carefully selected and the terms of reference well thought out. Prior to the sending of such a mission, we in the United States Government should have a clearer idea of the scope of the proposed study of the mission. This mission could take the time to work with the operational people in USOM Saigon, who are doing a splendid job, in order to come up with some well-thought-out recommendations. Many of us are so tied down in Saigon and Washington in day to day operations that we cannot do this kind of job. Also, recommendations of this type of mission would carry greater political weight and tend to galvanize both the United States and Vietnamese Governments into more effective action.

Recommendations

1. That you discuss the above informally with Mr. Hollister prior to further informal OCB discussions.

Regarding Vietnam, the Department acknowledged "questions as to the type of program. The Vietnamese, as you know, have wished to increase the amount of dollar aid for capital investment. They place less emphasis on the need for imports of local currency producing consumer goods than the situation seems to require. So far as I have been able to ascertain, since the maintenance of the contemplated armed forces of Viet-Nam will continue to require large amounts of local currency assistance, acceding to the desires of Viet-Nam on this question would result in a still larger and more expensive program than we have been willing to provide."

Concerning troop pay, the latter stated that the level of pay among U.S.-supported countries was high for the area, but pointed out that total military costs in Vietnam had recently been reduced from $2,000 to $1,500 per man year.

The Department agreed that many countries had limited capacity to absorb aid funds. A $40 million aid program to Laos could only be justified "as being one part of an effort to ensure that so strategic an area, vital to the defense of Burma, Thailand, Cambodia and Viet-Nam, does not fall into enemy hands." (Department of State, FE/SEA Files: Lot 58 D 207, Vietnam: Senator Mansfield)

[5] In June 1950, the United States at the request of the Philippine Government sent an Economic Survey Mission, headed by Daniel W. Bell, then President of American Security and Trust Company and former Under Secretary of the Treasury, to the Philippines. The task of the Bell Mission was to survey the Philippine economy, to make recommendations to remedy the immediate deterioration of the economic situation, and to formulate long-range plans for future economic viability and progress. For documentation on the work of the mission, see *Foreign Relations,* 1950, vol. VI, pp. 1467 ff.

[6] See footnote 2, Document 263.

2. That the State Department approve the sending of a Bell-type special economic mission to Viet-Nam, subject to the provisos mentioned above.

3. That after discussions between you and Mr. Hollister, consideration be given to directing the OCB Special Working Group on the Associated States to: (a) prepare a report and recommendations on long-range planning for the Associated States, and (b) draft terms of reference for the U.S. special mission.

4. That this problem also should be considered by the Interagency Committee (Assistant Secretary level) for coordinating military and economic aid.[7]

[Attachment]

U.S. AID PROGRAMS AND PROGRAM PROCEDURES IN CAMBODIA, LAOS, AND VIET-NAM[8]

The high cost system for our military aid programs is a heritage from the days when the French hired locals in Viet-Nam for service in the French Army, and then allowed the Vietnamese to constitute an army at the same rate of pay as these Vietnamese serving in the French Army. The system could not be changed suddenly, without serious damage to the morale of the Vietnamese Army. The probable eventual answer is universal conscription, but the Government of Viet-Nam does not now have the power to institute conscription. An interagency team is shortly going to Saigon to study the costs of the Vietnamese forces, and possible means of reducing our contribution thereto.

The Vietnamese have requested that the aid program include more capital goods for economic development, and less consumer goods. This request by the Vietnamese may arise from a misunderstanding of the program, or may be an indirect method of requesting more aid from the United States. A large part of our aid program has as its principal purpose the generation of local currency to pay the local currency costs of the military, and therefore of necessity must be the type of goods which will sell in Viet-Nam for piastres. In view of the current situation in Viet-Nam, the market demand is for consumer goods, not capital goods, since no one is willing to invest. If Government investment is carried out, this increases the cost of our aid program, for an alternative, the Government could have used these funds to meet part of the cost of the Vietnamese Army. However, it may be time to shift to a program aimed at increased economic development. To the extent that military costs could be reduced, the overall level of our aid program in Viet-Nam might not increase, or might even decline, but there would not be the large reduction that could otherwise be hoped for.

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[7] The source text contains no indication of approval, but on December 8 Hoover sent Hollister a letter recommending, inter alia, long-range planning in Indochina by the OCB and sending a Bell-type mission to Vietnam. (Department of State, Central Files, 751G.5–MSP/12–855) On January 20, 1956, Hollister responded agreeing that long-term planning and development was advisable but that consideration of a Bell-type mission should be postponed given the fact that there was already a 16-man U.N. Technical Assistance Mission in Vietnam, that ICA was already reevaluating programs in Vietnam, and that the Government of Vietnam, at the urging of the Embassy and USOM, had embarked on a program of agrarian reform. (*Ibid.*, OCB Files: Lot 61 D 385, Southeast Asia, General)

[8] Drafted by Price.

The restudy of our aid program should include a re-examination of aid program commercial import procedures. Much criticism by the Vietnamese and others arises from misunderstanding or an unfamiliarity with such procedures. It is recognized also that the procurement authorization procedure is a means of insuring purchases in the United States using proceeds from our aid programs. However, there is a strong possibility that the procurement authorization procedure may no longer be applicable or necessary for our aid programs in Viet-Nam, or elsewhere. It is time-consuming, the red-tape and paper work involved is intensely disliked by the business and banking community. In some cases, importing under the PA system requires several times as long as ordinary imports.

The procurement authorization procedure is wasteful. Each amendment to a PA requires exchange of correspondence, by cable usually, and much added paper work. More important, dollars are committed long in advance of the receipt of the needed local currency, giving rise to inflated aid pipelines. In some cases, pipelines are necessary, but the larger the pipeline the more waste and inefficiency in handling, since there is a general tendency to make sure that the pipeline is large enough to disgorge sufficient to the largely undetermined needs at some date in the future. There is nothing to overcome this tendency in a pipeline system which converts dollars into goods to be converted into piastres.

We should not allow the otherwise beneficial effects of our aid programs to be dissipated through inapplicable and antiquated procedures. Procedures can probably be worked out to give more protection against wastage of funds than the present PA procedure, without some of the defects of that procedure. If this is impossible, it may be necessary to request of Congress more flexible procedures for these three countries, either in the form of legislative history or request aid for these countries as a special title of the appropriation act not subject to the same procedural requirements as ordinary aid programs.

278. Despatch From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

No. 146 *Saigon, November 29, 1955.*

SUBJECT

The Diem–Bao Dai Referendum

Summary

The Diem–Bao Dai referendum of October 23, 1955 has been the subject of various previous Embassy reports.[2] The intent of this despatch is to complete the story by giving further details of the government's anti-Bao Dai campaign, describing the actual conduct of the voting and pointing to some of the conclusions which might be drawn from the results.

Government Preparations for the Referendum

The Ministries of Interior and Information played the major roles in preparing the people of Free Vietnam for the referendum. A referendum committee led by representatives of these two ministries and including a number of political groups took charge of all information and propaganda activities. The political groups on the committee included such government parties as the Association of Functionaries of the National Revolution, the National Revolutionary Movement, the Association for National Restoration (Cao Daist) and the Movement of Struggle for Freedom. The committee carried on the following activities: 1) sent cadres to virtually every house in Saigon, Cholon and all other principal cities on October 16, 22, and 23 to urge the people to be sure to vote and, of course, to vote for Diem; 2) organized meetings in villages and remote country areas to explain the referendum to the people; 3) sent radio cars and film production teams to various village areas to show films on election procedures, 4) sent mobile voting groups to remote areas and hospitals on election day; 5) made provisions to change railway time tables where necessary on October 23 to give travelers time to vote.

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[1] Source: Department of State, Central Files, 751G.00/11–2955. Confidential. Drafted by Allen Taylor, a Political Officer at the Embassy.

[2] The early stages of the Diem Government's press campaign against Bao Dai leading up to the referendum were described in Embtel sent Dept. 1518 dated October 2 and Despatch 123 dated October 18. The proclamation by the Minister of the Interior, giving the rules under which the referendum was to be conducted, was transmitted under Despatch 124 of October 18. Final returns were sent in Embtel sent Dept. 1849, and general comments in Embtel sent Dept. 1846. [Footnote in the source text. Despatches 123 and 124 are both *ibid.*, 751G.00/10–1855. Telegram 1518 was not processed through normal Department of State communications channels. For telegram 1846, see Document 268; concerning telegram 1849, see footnote 2, *ibid.* The Minister of the Interior was Bui Van Thinh.]

A most intensive propaganda and educational campaign was carried on in Saigon and other cities with the double objective of whipping up hatred of Bao Dai and of urging all citizens to vote. The government radio devoted hours of broadcasts daily to the referendum; radio cars roamed the streets broadcasting Diem propaganda and exhortations to vote; millions of leaflets, pamphlets, posters and banderoles covered walls, buildings, taxis, and buses; dummies of Bao Dai hung on practically every street corner and public square. The most popular dummy caricatured Bao Dai carrying a bag of money on his shoulders, a pack of cards in his hands and pictures of naked women in his pockets. In the square before the central market in the heart of Saigon an enormous twenty foot high dummy of Bao Dai was put up depicting him in his yellow royal robes, carrying money bags and playing cards in one hand, a broken dragon scepter in the other, a woman on his knees. Behind him was a Vietnamese, representing the common people, breaking Bao Dai's throne with a long pole.

The posters and leaflets which covered all the population centers in Free Vietnam were of two kinds—those intended to show the people how to vote and those intended to inflame them against Bao Dai. An excellently done poster which described in easily understood cartoons each step in the voting procedure was the best example of the first type. The number and variety of anti-Bao Dai and pro-Diem leaflets and posters was virtually limitless. A random sampling of the slogans they contained follows: 1) Beware of the evil king Bao Dai's preference for gambling, women, wine, milk and butter. Those who vote for him betray their country. 2) Bao Dai, puppet king selling his country. 3) To depose Bao Dai is to save Vietnam. 4) Bao Dai, master keeper of gambling dens and brothels. 5) Bao Dai, head traitor. 6) Drawings of Bao Dai offering a map of Vietnam to colonialists in return for millions of piasters; of Bao Dai receiving money from Binh Xuyen; of Bao Dai embracing French women; of Bao Dai on a leash held by a Frenchman; of Bao Dai with his foot on the neck of a Vietnamese. 7) Revolutionary Ngo Dinh Diem, hero of the people. 8) Ngo Dinh Diem, savior of the people. 9) Let us vote for Diem to build a democratic society. 10) Ngo Dinh Diem, father of all children. 11) Not to go to the polls is a crime toward the fatherland.

Conduct of the Referendum

The conduct of the referendum was observed by Embassy, USOM, and USIS officials in various parts of the country. Their reports unanimously agreed that the referendum was conducted in compliance with the procedures laid down in the government proclamation outlining the method of voting. This was also the view expressed by representatives of the British, French, and Australian missions in Saigon. The secrecy of the ballot was everywhere respected, and no evidence was found of fraud or direct intimidation. The usual procedure was for the voter to present his census registration card as proof of eligibility to vote, pick up a ballot and envelope, enter a curtained voting booth, place the closed envelope in the ballot box and finally have his registration card stamped to show that he had voted.

Some sidelights in connection with the voting may be of interest:

1) Groups of students went from house to house in Saigon early in the morning of October 23 reminding people to vote.

2) There were large crowds at all the polling booths when they opened at 7:00 a.m. By 9:00 a.m. most of the booths in Saigon, unprepared for the early rush, had temporarily run out of ballots. Two-thirds of the vote was in by 10:00 a.m., although the polls did not close until 5:00 p.m. The great majority of polling places were efficiently organized and voting was expeditiously carried out. In some instances, however, one narrow door served as both entrance and exit. In these cases, to avoid the crush many voters climbed out of windows after depositing their ballots.

3) Ballots contained pictures of both Diem and Bao Dai, with a dotted line between them to facilitate separation by the voters. At many booths, those in charge of the voting separated the pictures in advance and handed both pictures to the voters along with an envelope. This was theoretically done to speed up the voting. However, it was noted that care was taken in every instance to see to it that Diem's picture was on top when the voters received the two pictures.

4) No mention was made in the voting regulations about absentee voting. Some polling places insisted on the physical presence of every voter, while others permitted one individual to vote for others as long as he was able to present their census registration cards as proof of eligibility.

5) After placing the picture of one candidate in the envelope, nearly all the voters simply dropped the other picture on the floor. The floors of polling places soon grew inches thick with discarded Bao Dai pictures, with no Diem pictures to be seen. This sight undoubtedly had its psychological effect on any undecided voters. No attempts were made by officials, however, to observe what picture the voter discarded or whether he discarded any at all.

6) As each voter deposited his ballot, a badge was pinned on his shoulder carrying the legend "I have done my duty as a citizen" as a reminder to those who had not yet voted.

Significance of the Result

The official result of the referendum was announced by Minister of the Interior Bui Van Thinh in a statement made at Saigon City Hall on the morning of October 26. The final voting figures were: Diem—5,721,735 (98.2%); Bao Dai—63,017 (1.1%); invalid—44,155 (.7%); number of eligible voters not participating—131,395 (2.2%). Bui Van Thinh's statement announcing the result is attached as Enclosure 1 to this despatch.[3] The text of the speech made by Ngo Dinh Diem at Saigon City Hall acknowledging the result of the referendum and proclaiming the state of Vietnam to be a republic is attached as Enclosure 2.[4]

The result of the referendum is difficult to assess with any degree of confidence because of the questions raised in the minds of impartial observers by the overwhelming vote for Diem and especially by the enormous percentage (97.8%) voting of those eligible. A sweeping Diem victory was anticipated, but that virtually every citizen south of the 17th parallel would vote for Diem was not anticipated. Given the high rate of illiteracy, the hundreds of tiny villages without communication facilities and the inevitable factors of ignorance, apathy, and illness, it is difficult to believe that nearly 98% of the eligible population actually cast votes. Other factors working against a virtually unanimous turnout were the instructions issued by various anti-government sect leaders telling their members to abstain from participation in the referendum and the presumed efforts of Vietminh cadres in the South—in line with communist broadcasts from Hanoi—to persuade villagers under their influence to abstain from voting.

A further element of uncertainty is the fact that statistics in Vietnam are notoriously unreliable. The figures of the recent census, which determined the total number of eligible voters, may themselves be questioned in light of the lack of security prevailing in some areas during the census, the feebleness or lack of Government authority in other regions, and the limited machinery available to the Government in carrying out the census.

However, it is by no means impossible that the results announced by the government were approximately correct. The electoral campaign was completely one-sided. No support for Bao Dai or opposition to Diem was permitted, while the government carried out a most intensive and efficient propaganda campaign for Diem and against Bao Dai. There was a genuine upsurge of national pride at this first opportunity to express the people's will at the polls, accompanied by a desire on the part of the individual citizen to play a personal role on a historical occasion by casting his ballot. Also helping to swell the vote totals was the widespread fear that failure to vote might mean future difficulties—that an individual who could not produce a registration card stamped to show that he had voted in the referendum might be singled out by the government at some future time for reprisals. All of these factors undoubtedly helped to contribute to the enormous turnout of voters.

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[3] Not printed.

[4] This speech, delivered October 26, is not printed.

Anti-Diem nationalist elements, whose most vocal spokesman is the clandestine Dai Viet Radio, refused to credit the official referendum results announced by the government. The Dai Viet radio made the following allegations of fraud: 1) The government had the ballots printed in different colors—red for Diem, blue for Bao Dai[5]—so that its agents could easily spot a discarded Diem ballot. This tended to intimidate those who might have voted for Bao Dai. 2) The vote counters, who were supposed to be picked at random from the crowd, were all Diem agents who were chosen by prearranged signals. These agents manipulated the voting results as they pleased. 3) Police and security agents received instructions to vote one hundred times each. All of these allegations are unsupported by evidence. Despite a widespread feeling of skepticism among foreign observers about the near unanimity of the vote, no solid evidence has yet turned up to substantiate charges of fraud.

On the assumption that the announced voting figures are reasonably accurate, they seem to call for a revision of heretofore accepted estimates of the political strength of the Vietminh in South Vietnam. It might be argued that the Vietminh deliberately refrained from attempting either to interfere with the conduct of the referendum or to reduce the margin of Diem's victory on the ground that Diem's triumph was a foregone conclusion. It seems more logical to assume, however, that the Vietminh cadres in the South would have wished to weaken and discredit Diem. Reports that the Vietminh campaigned for Bao Dai have not been substantiated, but it is known that the Vietminh radio in Hanoi repeatedly urged the populace in the South to abstain from voting, and it may be assumed that the Vietminh cadres in the South bent their efforts in that direction. In this they failed utterly, and Diem emerged from the referendum with enhanced prestige and a solid vote upon which he could base his claim for backing in carrying out his uncompromising anti-communist policies and his domestic program. Another result of the referendum was to bury Bao Dai so completely under a landslide of votes that it is difficult to see how either his remaining handful of supporters or the Vietminh could or would want to use him as a basis for anti-Diem moves in the future.

It should not be assumed, however, that Diem's overwhelming victory over Bao Dai is a true measure of his popularity in Vietnam. It must be remembered that the referendum was in one sense a travesty on democratic procedures, since the Diem forces maintained absolute control over all avenues of propaganda and did not permit the opposition to make its case. Furthermore, the referendum questions were so designed that in order to depose Bao Dai it was necessary to vote affirmatively for Diem. Voters who wished to depose Bao Dai without voting for Diem had no way of registering such a vote.

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[5] Actually the Bao Dai half of the ballot was *green*. [Footnote in the source text.]

It remains to be seen, therefore, how a Diem-backed slate of candidates will fare in a truly democratic election, in which the opposition is free to oppose and the voters are free to vote for whomever they please. Diem has repeatedly said that he wishes to hold such an election, and it may be assumed that his resounding triumph in the referendum will add strength to his desire. As the first president of the Republic of Vietnam, he is now more firmly in the saddle than ever before.

For the Ambassador:
Daniel V. Anderson
Counselor of Embassy

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279. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, December 2, 1955—6:06 p.m.

1901. 1. Recent Paris London Saigon telegrams indicate while possibility French-Vietnamese accord disposition FEC and question successor FHC remains, we cannot be sanguine parties will reach accord speedily if at all. Mau statements to Dillon (Paris 2510 repeated Saigon 133, London 149[2]) presumably endorsed by Luyen, raise serious doubts Vietnamese would agree to minimum course suggested in Saigon's 2206 repeated Paris 406, London 192.[3] We also note from available account Mau visit to London (London 2217 repeated Saigon 63, Paris 276[4]) British apparently did not themselves take position with Vietnamese that they should undertake functions now being exercised by French High Command (London 1999 repeated Saigon 54, Paris 253 and Department's 1769 to Saigon repeated Paris 2013, London 2855[5]).

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[1] Source: Department of State, Central Files, 751G.00/11–2355. Secret. Drafted by Kattenburg and cleared with Young and Sebald (in substance). Sent also to Paris as 2154 and to London as 3097; repeated for information to Ottawa, New Delhi, Vientiane, and Phnom Penh.

[2] According to this telegram, November 23, Mau's statements included an indication that South Vietnam would not view the "early fold-up and departure ICC" as "unfavorable." (*Ibid.*)

[3] According to this telegram, November 23, that minimum course was to maintain the present situation of the ICC until a suitable time for its departure—possibly July 1956—when termination could be logically explained as completion of the primary mission of supervising the ceasefire. (*Ibid.*)

[4] In this telegram, November 29, the Embassy in London reported that Mau's visit was uneventful; neither the British nor Vietnamese Foreign Ministers wished to discuss controversial differences. Macmillan stressed the necessity for placating the ICC and Mau agreed that the Commission performed a useful function and should continue for as long as possible. (*Ibid.*, 033.51G.41/11–2955)

2. Under circumstances, and unless amplification we await from British here on Mau talks in London indicates British did raise matter, we will tell British we feel their suggestion US intervene with Diem has been overtaken by their own failure raise issue.

3. FYI. Our present thinking is that while we should certainly take no positive steps speed-up present process decay Geneva Accords neither should we make slightest effort infuse further life into them. Mau–Luyen view that military responsibilities under Armistice Agreement now carried out appears have considerable merit, at least so far as principal military provisions concerned. Since 14d[6] now dead letter, only 14c[7] and prohibitions personnel and arms imports and bases remain really important active provisions. In every case these violated by North and cause of serious present and potential difficulty for South. Result of failure two sides agree on question succession might well provide excuse for Indian-Polish recommendation withdrawal of ICC from Viet-Nam. However in our view situation in Viet-Nam fundamentally altered since Geneva and present deterrent on Communists lies less in thin mechanism Commission maintains on ground in Viet-Nam than in policies governments principally concerned on Free World side. Moreover, at this time ICC highly troublesome to Free Viet-Nam in intermeddling consultations problem, issuing critical 4th Interim Report, present attempt control US military personnel.

4. Request views Saigon Paris on evaluation contained paragraph 3.[8]

Dulles

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[5] Dated November 15 and 21, neither printed. (*Ibid.*, 751G.00/11–1555 and 751G.00/11–1855)

[6] Article 14d of the Agreement on the Cessation of Hostilities in Vietnam (July 20, 1954) allowed for free movement of civilians to and from either zone until the time limit of 300 days for movement and regrouping of troops (Article 2) was completed.

[7] Article 14c enjoined each party to refrain from any reprisals or discrimination against persons or organizations on account of their activities during the hostilities and to guarantee such persons democratic liberties. For the complete text of the Agreement on Cessation of Hostilities, see *Foreign Relations*, 1952–1954, vol. xvi, p. 1505.

[8] In telegram 2692 from Saigon, December 5, the Embassy fully concurred with the view that "Geneva Accords should be allowed die natural death" and said it believed that the French were "inclined share this view." (Department of State, Central Files, 751G.00/12–555)

280. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, December 5, 1955—10 p.m.

2369. Reference: Embtel 2254.[2] Country team message.

1. Following is summary of Vietnamese Government proposal for Self-Defense Corps for which United States financial assistance was recently asked (see reference telegram).

a. It is essential for government to engage in decisive action against infiltration and subversive tactics of Communists particularly in rural and outlying areas. To have best effects, such action must be carried out at village level and must be both military (armed police) and political.

b. In addition to mobile security organizations (army, Garde Civile), it is necessary to create a fixed organization in each village to serve as base for anti-Communist activities. Self-Defense Corps (Dan-Ve-Doan) meets this need. It has advantage of being composed of local inhabitants, thoroughly familiar with village conditions, who will be on call to police and defend village 24 hours a day. In addition to serving as police force defending against bandit attacks or subversive activities, Self-Defense Corps will serve as political cadre to give needed assistance to villagers and to organize anti-Communist activities among population.

c. Each village to have Corps composed of 10 militiamen, plus chief and assistant chief. Militiamen to receive from National Government 300 piastres a month, assistant chief 500, chief 600, plus certain allowances from village. Total monthly expenditure per village 4100 piastres. Self-Defense Corps for estimated 6000 villages and 1000 village groups would cost 344,400,000 piastres annually for salaries, plus 50 million piastres for weapons and equipment, for total of 400 million piastres. Weapons to be provided include firearms, swords, daggers and hand grenades. (*End summary*)

2. Country team has approved temporary financial support for Self-Defense Corps with mission to protect local communities from intimidation and indoctrination by Vietminh, rebels and bandits threatening local security. Mission of Self-Defense Corps does not necessarily include pacification, as Corps will be established only in villages already cleared of dissident elements. Corps will conduct guard and police patrol duties, promote organized anti-Communist activities in villages, take direct action against perpetrators of civil disturbances, and report regularly through established channel of command on all activities in and around villages.

3. Corps to be activated in each village by military commander of region. All corpsmen to be carefully screened for loyalty, reliabil-

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[1] Source: Department of State, Central Files, 751G.00/12–555. Secret. Passed to the Department of Defense and CINCPAC.

[2] See footnote 3, Document 276.

ity and aptitude, fingerprinted and photographed before being issued weapons or placed on payroll. Training programs to be instituted in each province.

4. We envisage support of Self-Defense Corps as emergency measure only, and plan to make clear to Vietnamese Government that we do not intend to give long-range support to this type of program. It is our belief that until pacification of country is completed and Vietminh influence in villages substantially eliminated, government supported village defense units are necessary. As government authority is strengthened and country becomes more viable economically, we anticipate Garde Civile will become increasingly more able to fulfill its intended function of maintaining law and order through Vietnam and that villages themselves will be able to provide whatever additional protection needed.

5. With country team approval, MAAG has included in Vietnamese military budget for CY 1956 appropriation of $6,170,400 for payment of 300 piastres monthly to 60,000 members of Self-Defense Corps, averaging 10 men each for 6,000 villages. (This was size of organization originally proposed by Diem. Current Vietnam proposal for 12 men each for 7,000 villages represents very recent afterthought.) United States financial support runs from January 1, 1956–December 31, 1956. Arms and ammunition to be supplied from non-United States weapons now on hand in Vietnam.

6. Costing team headed by Major General Lawton, USA, which just left Saigon for United States has accepted above amount (paragraph 5) for inclusion in MAAG budget estimate they will discuss in Washington. We would appreciate earliest possible approval this project.[3]

Reinhardt

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[3] In telegram 2420 from Saigon, December 8, the Embassy submitted as an additional reason for early approval of U.S. financial support for village defense corps recent intelligence reports of increased capabilities for Viet Minh infiltration, sabotage, and terrorism at the village level. (Department of State, Central Files, 751G.00/12–855)

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281. Editorial Note

On December 6 and 13, Diem and Reinhardt exchanged notes for their respective governments acknowledging United States approval in principle of support of a Vietnamese Armed Force of 150,000 in 1956. Included in Diem's note of December 6 was a plan for reduction of Vietnamese forces to 150,358 military and 5,319 civilians by June 30, 1956. In accepting the force structure contained in Diem's note, Reinhardt expressed confidence in his note of December 13 that the Vietnamese Government would continue efforts to reduce the high cost of maintaining its armed forces. Texts of these notes are enclosed in despatch 203 from Saigon, December 27. (Department of State, Central Files, 751G.5–MSP/12–2755)

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282. Memorandum From the Joint Chiefs of Staff to the Secretary of Defense (Wilson)[1]

Washington, 9 December 1955.

SUBJECT

Raising U.S. military personnel ceiling for MAAG Vietnam.

1. Military personnel restrictions for MAAG Vietnam have become an increasingly serious handicap to the attainment of U.S. objectives in Vietnam. Currently, the United States is limited to a ceiling of 342 military personnel for MAAG Vietnam. This figure resulted from the State Department's interpretation of Chapter III, Article 16, of the Geneva Agreement of 20 July 1954 to mean that the United States is prohibited from introducing military personnel in excess of the 342 U.S. military personnel actually present in Vietnam on 23 July 1954.

2. The number of 342 military personnel has never been considered adequate by Chief MAAG, Vietnam or CINCPAC to meet the tasks of the MAAG. Requests by the Secretary of Defense to the Secretary of State for a more liberal interpretation of personnel ceiling limitations to exclude certain temporary additional training teams, communication personnel and other military personnel not performing MAAG functions, have been denied and the Secretary of State has reaffirmed that the limitation of 342 U.S. military personnel in Vietnam must be rigidly adhered to.

3. The MAAG Vietnam and the French forces have been working together in accomplishing the redistribution of United States furnished MDAP material and in training Vietnamese forces. The progressive withdrawal by the French of their military personnel without replacement and the inability of the United States to augment the MAAG personnel has created a critical situation both in carrying out redistribution of MDAP equipment and in the training of Vietnamese forces. CINCPAC has recently reported on the gravity of this

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[1] Source: JCS Records, CCS 092 Asia (6–25–48) (2). Secret.

situation. In respect to the redistribution of MDAP equipment he states, "It is also foreseeable that present restrictive personnel policy could cause maintenance and redistribution losses of millions of dollars in U.S. Indochina war equipment." In respect to the over-all accomplishment of U.S. objectives, he states, "We must now balance the mere possibility of criticism (with some technical basis which we can contradict with at least equally plausible contentions) by an enemy who will 'inevitably criticize' as loudly without any basis at all, against the grim actuality of an unacceptable shortage of key personnel necessary to keep MAAG and TRIM programs operating effectively in a most critical period which may well determine whether South Vietnam will stand with us or fall to the Communists. I urge that our policy be re-examined on a realistic basis and made sufficiently flexible to meet our vital interests. A second failure in Indochina by the Free World will be exceedingly serious. Laos, Cambodia, Thailand and possibly Burma and Malaya may be at stake. Our effort to avert this disaster should not be made with our hands self-tied behind us because of fear of possible Communist propaganda."

4. The Joint Chiefs of Staff concur in the views of CINCPAC. They believe that it would be realistic to interpret the provisions of the Geneva Agreement to permit replacement of French military personnel, withdrawn from the Combined Training Organization (TRIM) without replacement, by U.S. military personnel. Similarly, it should be permissible to replace French military technicians, withdrawn without replacement from execution of the MDAP equipment redistribution activities, by U.S. military technicians. Accordingly, it is recommended that the Secretary of Defense inform the National Security Council of the gravity of the situation in Vietnam, requesting authority to raise the 342 limitation on U.S. military personnel in Vietnam to replace, as required, French military personnel withdrawn without replacement from the training and MDAP equipment redistribution programs.

For the Joint Chiefs of Staff:
Arthur Radford
Chairman
Joint Chiefs of Staff

283. Telegram From the Secretary of State to the Department of State[1]

Paris, December 17, 1955—5 p.m.

Secto 17. Bilateral with Pinay on FE December 17 discussion only in general terms covering following topics:

1. Vietnam

(a) Pinay began by describing difficulties particularly economic in French-Vietnamese relations. He said he still intended to visit Saigon but could not go until latter part of January because of elections and formation of new government. His mission would be to assure Diem France recognizes only Republic of Vietnam headed by Diem. Pinay also hopes to gain Diem's confidence and persuade him improve relations with France. Pinay hoped US could use its influence help bring this about. Secretary stressed importance Pinay mission and urged desirability France and Vietnam rapidly reaching fundamental understanding which would permit basis for better relations.

(b) Pinay stressed need for common French-US line toward Vietnam to prevent Vietnamese from playing French off against Americans and vice versa which he believes they are now doing. Secretary reiterated necessity for Franco-Vietnamese understanding and pointed out limitations of exercise of US influence on Vietnamese.

(c) In reply to Secretary's question re Sainteny mission, Pinay replied French must have some officials in Hanoi to protect remaining French cultural and economic interests. However Pinay assured Secretary that this did not constitute diplomatic or consular mission in Hanoi. Secretary pointed out Diem and Vietnamese are extremely mistrustful of French relationships with Viet Minh. Pinay fully acknowledged this and said one of his purposes in going to Saigon would be to convince Diem on need for some French official representation of a limited nature in the north without any political connotation and without prejudice French recognition Republic Vietnam. Pinay then made curious suggestion he hoped also to persuade Diem he should have an observer in the north and that there might be some value in economic exchanges between north and south in terms of rice and coal. (Embassy will try find out what French mean and why.)

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[1] Source: Department of State, Central Files, 751G.00/12–1755. Confidential; Priority. Repeated for information to Saigon, Vientiane, and London. Dulles was in Paris for North Atlantic Council meetings, December 15 and 16. According to a memorandum from MacArthur to Dulles, December 7, Pinay had requested bilateral discussions on Vietnam with the Secretary when Dulles was in Paris for the NAC meetings. (*Ibid.*, 751G.00/12–755)

(d) Pinay noted experts had already covered economic and financial subjects[2] but he wished to stress great difficulties French are having because of Vietnamese denunciation of monetary accord and inability of French concerns repatriate profits and capital. He said Diem must understand necessity of respecting accords with France. He hoped US aid procedures could be made a little more flexible to help alleviate franc shortage. Secretary replied he did not wish to go into details which had already been fully discussed at working level. Pinay replied so-called details could be block solution economic and financial problems. Secretary indicated we would look into question of flexibility with interested agencies in Washington but in light of discussions in Paris at expert level.

2. *Laos*

Secretary raised dangerous situation caused by Pathet Lao threat but Pinay had no comment other than to agree. Secretary urged France strengthen training mission and base personnel since US forbidden by Geneva accord instruct Lao forces which must be improved in view of threat. No reaction from French side.

3. *SEATO*

Secretary stressed need strengthen SEATO at March meeting. Pinay agreed in principle. No details discussed.

4. *Trade with Communist China*

Secretary informed Pinay US had protested British unilateral intention change list. Secretary said US not necessarily adverse to some liberalization but felt strongly any changes should result from consultation and common action. Pinay completely agreed need common action since it would be most unfortunate if individual countries took unilateral action. He stated cohesion among western powers is becoming increasingly important and necessary.

5. *Security Council*

Secretary informed Pinay his agreement with Macmillan re proposal split tenure between Philippines and Yugoslavia. Pinay doubted its legality.

6. *Press*

Secretary pointed out Diem sensitivity and mistrust regarding bilateral talks on Vietnam. Secretary Pinay agreed not to mention to press any discussion of Vietnam but to describe talks as general discussion common problems in South East Asia and Middle East.

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[2] Reports of these meetings are in telegrams 2886 and 2889 from Paris, December 16 and 17. (*Ibid.*, 851G.131/12–1655 and 651.51G/12–1755)

Following meeting French Foreign Office officials said they would inform Vietnamese officials in Paris and Saigon gist of talk re Vietnam. We said we would probably do likewise. French thought desirable give Vietnamese authorities full account of discussion.

(Pinay did not raise Geneva accords or question consultations and all-Vietnam elections. He did refer briefly but inconclusively question military accords and FEC.)

Dulles

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284. Memorandum of a Conversation, Saigon, December 28, 1955[1]

1) On *28 December 1955* General Williams met with President Diem, at the request of the President to discuss matters of military import. The President had returned on 27 December 1955 from a trip to Hue and information he had received there had apparently prompted the meeting.

2) Present at the meeting were:

President Diem
Lt. Gen. Williams
Colonel Finn
Lt. Col. Croizat, USMC (Interpreter)

3) After greetings, General Williams read a message of holiday greetings that General O'Daniel had sent to the President. General Williams gave the President a paper[2] he had prepared on guerrilla fighting and remarked that he hoped the President would read it carefully and that it would be of some assistance in forming plans to combat the Viet Minh.

4) President Diem stated that he had several points of military interest to discuss as a result of his recent trip to Hue. The first point was that it was now apparent that the Viet Minh had failed to realize their political aims through propaganda and other means of indoctrination and were now employing open military action. The ac-

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[1] Source: Center of Military History, Williams Papers, Conferences with Diem 6 Nov 55–5 Oct 56. Drafted by General Williams' aide, Colonel John M. Finn, from a text in Williams' handwriting. In the folder with the memorandum is an undated note by General Williams stating that the text was handcopied from a photocopy because of the photocopy's poor condition.

[2] Not found attached, but printed *infra*.

tivities in the Plaine des Joncs were mentioned as an example. The danger areas in Central Vietnam are Quang Nam, Quang Ngai and the 17th Parallel area. The Viet Minh have regrouped their cadres for concerted action in key areas.

General Williams stated that he had spent all of Tuesday, 27 December 1955 being briefed in detail by TRIM Field Advisors and no one had mentioned such Viet Minh activity.

President Diem said that such information does not normally come through military channels, but Viet Minh units have begun holding maneuvers in the mountain and other out of the way areas. To combat the Viet Minh, many localities of Central Vietnam have formed village guards. (The President referred to those units as Self-Defense Corps Units, Village Guards and Popular Forces.) The President mentioned that these units were being formed even though there was no money available as yet. The Self-Defense Corps units in the South would remain within the confines of the village but this is not possible in Central Vietnam because the villages are more widely separated. Units will be required to maneuver outside of villages and have already had a few skirmishes with the Viet Minh. The Viet Minh cadres moved into Quang Tri about three months ago and several prisoners have been taken. At first the prisoners would not talk but the good treatment they are receiving is beginning to have the intended effect and they are commencing to talk. They say that the Viet Minh depend more on their Popular Forces than on the Regular Army and that in case of an invasion of South Vietnam, the Popular Forces would be cast loose and with the cooperation of the already present fifth column would spread throughout Vietnam. Our own Popular Forces of the villages have had good success against the Viet Minh; much better than the Garde Civile (National Police) because they know the terrain and have more initiative. The Garde Civile is held back because of administrative red tape and cannot act quickly. I have had to advise the Garde Civile authorities in the South to exercise caution in their recruiting because they are getting men with various political leanings. The entire Garde Civile needs a strong political indoctrination.

5) The President described his visit to the troops west of Long Xuyen for Christmas. He spent one afternoon at Long Xuyen discussing the political party, "Movement of National Revolution."

General Williams asked if the President had received word that General Williams was available to accompany him on his trip.

[Apparent omission in the source text.]

President Diem replied that it definitely would support him, a few people got out of line now and then but any such tendencies were easily checked. The Army is glad to see this new party take charge of the Long Xuyen area and establish loyal control. The Secretary of Interior does not have the full support of all the Province Chiefs and Police Chiefs. Some of them are actually Communists even though I have prohibited government leaders from joining specific political parties.

6) President Diem stated that General Minh of the 1st Military Region was in the process of reviewing the military situation in the West. A good bit of news is that Hunh Fu Cho, the father of the Hoa Hao movement has rallied to the government. The situation is beginning to improve. The operations of the Viet Minh and dissident sects is [*are*] now generally concentrated in the Plaine des Joncs and in Camau. The Viet Minh have reorganized the cadres in Camau and have picked up some rebels that have been split away from Ba Cut's main force.

7) The President stated that to be successful against the Viet Minh you must use the same tactics they employ. There are a great number of ex-Viet Minh who have rallied to the government but the ceiling on the strength of the Army makes it impossible to integrate them. However, many have been placed in the Garde Civile and they will be very helpful in the Popular Forces. They are definitely the troops that should be used to fight the Viet Minh; as they know how best to fight them. There is another part to this problem and "I hope you can help me solve it." General Ty is against the ex-Viet Minh personally and his staff and commanders in most cases mimic him. Colonel Oai and Colonel Phuong are two very capable officers who are ex-Viet Minh but no one will listen to them. Colonel Duc has defended them but rather weakly. In the South the local commanders, who are favorites of General Ty, do just what they want. The situation is better in Central Vietnam. I have directed that maximum use be made of the ex-Viet Minh officers but this order is obeyed with reluctance and in many cases the reluctance is almost sabotage. In general it would not be good to have the National Army coordinate the activities of the Popular Forces. In Central Vietnam there could be some collaboration between the Popular Forces and the Army if the Army Officers utilized were carefully selected. We should start Guerrilla Warfare of our own. The Army does not understand, as it sees only the classic military solution. A number of things will have to be changed; including the manner in which the Secretary of Interior[3] handles his responsibilities. The intellectuals of Vietnam view democracy with a French background and think that instead of cooperating with the government, they must oppose it and force it to grant these concessions.

8) The President stated that he had seen several plans for the defense of Vietnam and that the General Staff was in the process of

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[3] Bui Van Thinh was Minister of the Interior.

preparing a new one. But they are considering only Vietnam and not the overall situation that would include all of Indochina at least. Vietnam would only be a part of an overall plan. In view of Admiral Radford's visit I am interested in what you think about a SEATO Defense Plan. Would it be a static defense plan or would the war be carried to Haiphong or some other place. The General Staff lacks sufficient information to prepare an accurate plan for Vietnam. We must know all of the external [*sic*] that would influence the defense of our country.

9) General Williams [said?] that he had been in Vietnam for two months and had learned a lot. I know most of the things of which you have spoken. Many of them are covered in the paper I gave you and if the suggestions in that paper are implemented, many of your problems will be solved. It was very difficult to obtain local approval of the Self-Defense Corps and I am awaiting approval from Washington. I consider the Self-Defense Corps to be necessary and you might ask Admiral Radford when an answer to our request can be expected. Also, I consider it proper for you to request strong support for your Garde Civile and to ask the Admiral for information concerning what action SEATO will take in case of aggression. As for the Army, I have repeatedly spoken of the danger of Officers having difficulties and jealousies among themselves. Such things will surely destroy the very thing you are trying to build. The FAVN General Staff must be made to move faster, think more quickly, and to plan ahead. I have found that, with the end of the year only three days away, the General Staff has not provided the paper targets for range firing; although the money is available. I have given up trying to get the targets through FAVN and have used my own money with which to purchase them. The Viet Minh will attack only when Moscow tells them to and that means international war which the Communists do not want. The real danger lies in the local Viet Minh cadres and they must be destroyed like vermin. The greatest trouble in the Army lies with the completely inadequate logistical system.

10) At this point the meeting came to a close as President Diem had another engagement. The possibility of a later meeting was discussed briefly but no definite date or time was established.

John M. Finn
Col. Inf.

285. Paper Prepared by the Chief of the Military Assistance Advisory Group in Vietnam (Williams)[1]

Saigon, December 28, 1955.

There follow herewith certain remarks on the subject of "Guerrilla Operations". I am sure you are familiar with these matters but some of your officers may not be.

1. Communist guerrillas can be destroyed if early, aggressive action is taken and relentless pressure if [*is*] vigorously applied. The political, psychological, economic and military actions should all be coordinated for successful results.

2. All should remember that Communist guerrillas have been destroyed in Greece, Korea, the Philippines and Iran. They can be destroyed in Vietnam.

3. A guerrilla force, to survive, must enjoy the support of at least part of the civil population in which it operates. Further, it must have access to supplies from friendly bases of the sponsoring power or powers.

4. Communist guerrilla strategy is simple. By using a small amount of arms, equipment and food and a few good military leaders a new government is forced to utilize relatively large military forces to a campaign that is costly in time, money and men. The population is terrorized into passive inaction. They give to the people as their reason for their operations, revolt against Colonialism, opposition to a corrupt government, resistance to oppression, or any other reason they think the local inhabitants will believe.

5. In Korea in 1950 the South Koreans were using three (3) Divisions to fight less than 7000 guerrillas in the South East. When the North Koreans attack [*attacked*] on 25 June of that year the South Korean Army suffered from this diversion as their Army was not strategically nor tactically deployed to meet the North Korean attack.

6. It is possible the Communist guerrillas are attempting the same tactics in Vietnam, i.e. pull large military forces into the South and West so that they will not be trained and be in proper position to fight against an invasion from the North. For this reason any regular Army troops sent into the area to combat guerrillas should complete their task with speed, then turn the area over to the Civil Guard and Village Defense Corps and move back into their tactical and strategic locations. Great speed in operations are [*is*] necessary.

7. Communist guerrillas follow the teachings of Mao Tse-tung which can be stated briefly as follows:

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[1] Source: Center of Military History, Williams Papers, Advisory Notes to VN High Command (110). This paper was given to President Diem during the conversation described *supra*.

a. Guerrillas recognize the superior strength of the enemy. Therefore they must avoid large battles, seek for local superiority, select objectives for attack that will assure success.

b. Adjust their operations to suit political requirements.

c. Wage a war of extermination, seize arms and expand their forces.

d. Fight a war of movement. Positional warfare to be avoided except to defend permanent guerrilla bases.

e. Retain the initiative in both attack and retreat and maintain great flexibility in massing, dispersing and shifting forces.

f. Gain local superiority by concentrating small groups into large groups for a particular battle.

g. Maintain close control of the civilian population and close coordination with Communist Party Workers in the area in regard to propaganda, agitation and give help to needy local people.

8. In Korea quick action by small guerrilla forces was employed, followed by rapid withdrawal, dispersal and subsequent reassembly and redeployment as a unit. These tactics were also used by the Confederate guerrilla during the "War between the States" in the United States in 1860–65 and by the American Indians against U.S. troops in 1870–80. Such tactics enable the guerrilla to attract large bodies of troops to their area. Troops that are needed elsewhere against a hostile Army.

9. Tactical operations by guerrillas in all countries include ambushes, raids on Army and police out-posts, small villages, hit and run terror raids, agitation and propaganda. They also attempt infiltration into Government Forces. The bulk of guerrilla incidents will be raids and ambushes. Ambushes of vehicles are usually laid at road bends or bridges. Small size friendly patrols will frequently be ambushed from hiding at close range. Patrols in column are particularly vulnerable on their flanks when cover is dense.

10. Raids against towns or villages are to loot for food, clothing, and money, and to terrorize the local population. They will usually occur at night. Withdrawal from these raids may be by a different route from the route of attack. Police boxes erected on approaches to towns are of little value for they can be avoided or surprised and destroyed by attacking guerrillas.

11. In Korea the following guerrilla operations were necessary.

Operation Rat Killer—Dec 51 to Mar 52—two Divisions
Operation Ferret—Mar 52 to Jun 52—one Division
Operation Mongoose—Jul 52—two Divisions
Operation Bloodhound—Aug 52 to Nov 53—one Division
Operation Trample—Dec 53 to Jun 54—two Divisions

12. It is believed that extermination of guerrillas in Korea could have been done in 1951 if the campaign had been pressed hard and relentlessly at the very start. Time is always in favor of the guerrillas.

13. Military operations alone are not sufficient for success as there are really two objectives: the destruction of the guerrilla force and the elimination of the Communist influence on the civil population. An over-all plan at Government level embracing political, psychological, economic, administrative and military action is necessary for success.

14. Purely defensive measures will permit a guerrilla force to grow and become strong. Continuous, unrelenting pressure on the guerrilla must be maintained.

15. Government troops or police must not sit in camp waiting until they hear a guerrilla raid and then go to the attack. They must continue to sweep the area and screen the population and hunt down the guerrilla. In this way the Government forces maintain the offensive and do not allow the guerrilla to decide when and where the fight will be.

16. The major political and psychological mission is to win the active and willing support of the people and to deprive the guerrilla of that support. The old principle of reward and punishment is applicable. Reward those that help the Government, punish those that support the guerrillas. The attitude of Government officials, police and Army toward the people should be good. Harsh, unjust, arbitrary action or mass punishment of innocent people, for the misdeeds of a few, will drive more people into the guerrilla ranks.

17. The military campaign should be in harmony with the political, psychological and economic policies. Isolate the enemy from the people, break them into small groups. Cut them off from contact and supplies. In Vietnam it would be best to cut them away from the Cambodian border. This to prevent them from going into Cambodia to rest and recuperate and build up forces.

18. A good intelligence system is necessary so that information can come in with great speed. Money spent for this purpose will usually be well spent. Good personality files should be developed. Special effort should be made to kill the guerrilla leaders.

19. The guerrilla will have a good intelligence system also so great care must be taken to preserve secrecy of operational plans. If this is not done the guerrilla will escape before the trap is sprung. The Communist guerrilla will attempt to infiltrate Communist agents into the Government forces. All civilians that have access to the Military Headquarters should be checked by the military or the police or both. All operational plans should be closely guarded and never discussed in public.

20. Combat operations should follow this sequence:

The commander establishes his headquarters in or near the guerrilla area, moves his troops in, establishes bases of operation, takes proper security measures, obtains essential intelligence, prepares operational plans and then launches his combat operations. Continuous pressure is maintained to seek out, gain contact with and utterly destroy the enemy.

21. At no time should be [*the*] guerrillas be given opportunity to rest, reorganize, rehabilitate, recruit or prepare for future operations.

22. The operation is over when there are no guerrillas remaining—not when the guerrillas have merely been disorganized and dispersed.

23. Deception, speed, ruses, ingenuity, and aggressive leadership are needed for success.

24. If Government forces can't surround the guerrilla area another maneuver is to drive across the area. This takes fewer troops. The guerrillas should be driven toward a blocking force which will destroy them as they seek to escape. The objective must always be the same—kill or capture the entire guerrilla force. Never allow any to escape.

25. "Special anti-guerrilla forces" can often have more success than "conventional" forces many times their size. The mobility of anti-guerrilla forces should be given priority over heavy fire support. Light mortars should be able to provide all the fire support needed for the riflemen and the automatic riflemen. Sometimes recoilless rifles or rockets are needed but they are heavy and slow down the troops.

26. Leadership, tactical ingenuity, perseverance in the face of repeated frustrations, professional skill, physical endurance and high morale under conditions of great hardship are needed in fighting guerrillas. The longer the guerrilla bands are allowed to exist, the more difficult the tasks become.

27. The unskilled, lazy commander will be ambushed, defeated and fail. Enough failures can place the Government in danger.

28. One may expect the guerrilla to attempt to cause friction between the police and the Army and between the police and Army on one side and the Government on the other. They will promote jealousy wherever they can. Whenever they see American Advisors with Vietnamese Units they will tell the population and the Vietnamese soldier that they are pawns of the Americans. Probably they have already done this.

29. In conclusion:

a. Communist guerrillas can be destroyed if fast, aggressive action is taken.

b. The plan should coordinate political, economic, psychological and military action.

c. Government forces should seize the initiative and apply relentless pressure. Never letting up.

d. Active cooperation of the civilian population is necessary if the Government is to succeed.

e. The guerrillas will not be defeated and destroyed until cut off from supply from their sponsoring power.

f. Adequate incentives to support the Government and oppose the guerrillas should be provided.

g. A good Government intelligence net is necessary.

h. Tactics should emphasize surprise, deception, speed of movement, thorough reconnaissance, aggressive fighting when contact is gained, vigorous pursuit. All this maintained until the enemy is utterly destroyed.

i. All commanders should know that to combat guerrillas and merely disperse them is like an operation for cancer that only takes out a small part of the growth.

j. The Communist guerrilla leader in Vietnam will consider himself successful as long as he can keep large numbers of Army troops away from their strategic and tactical locations and untrained for fighting against an invading army. In doing this the enemy is using a very few inexpensive troops to neutralize a large percent of the Vietnamese Armed Forces. In addition he is providing the thought to weak minded citizens throughout the entire land that the existing Government is weak and without strength.

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286. Memorandum for the Record, by the Chairman of the Joint Chiefs of Staff (Radford)[1]

From 1700 until 1915, Wednesday, 28 December 1955, I met with President Diem in the Presidential Palace in Saigon. Present at the meeting were Ambassador George F. Reinhardt, Lt. General Samuel T. Williams, USA, Chief MAAG, Maj. General Robert N. Cannon, Colonel Leroy H. Watson, Jr., and an interpreter. During most of this two and one quarter hour meeting, President Diem talked steadily. Some of what he said was repetitious, so I will attempt to outline below only the main themes that were covered during this meeting.[2]

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[1] Source: Naval Historical Center, Radford Papers, 333.1 (Trip 9) 12/12/55–1/19/56. Prepared in Washington on January 27, 1956.

[2] One of the themes not covered by Radford was Diem's mention of SEATO. In his report of the same meeting, Reinhardt stated in part: "Diem . . . voiced earnest hope that SEATO could become 'more organic' and provide VN with some concrete guaranty and specific information regarding kind of assistance SEATO could provide in event of emergency . . . Radford explained nature of SEATO and expressed personal view that overt VM aggression improbable in foreseeable future but that if it should take place would almost surely involve other SEA countries . . . It was his view that Diem's primary problem was that of internal security. This he did have capability of solving and he should devote all his efforts to this end." (Telegram 2638 from Saigon, December 30; Department of State, Central Files, 751G.00/12–3055)

The President started the meeting by describing the conditions within South Vietnam as he saw them. He said that since the inception of his government the Viet Minh had been carrying out a strategy in South Vietnam of staying under cover and attempting to undermine his government by political subversion and propaganda. The recently completed elections had made it quite clear to the world, and to the Viet Minh, that these tactics had failed. Since that time, therefore, Viet Minh tactics had changed. They had come out of hiding, and had begun to engage in a widespread campaign of terrorism which was aimed at creating such chaotic conditions in South Viet Nam as might bring the fall of the government. The President said that in the central portion of his country these efforts had not been too successful. He attributed this lack of success to the relatively high level of political education possessed by the population in the central region. This portion of the population, according to Diem, were well aware of the stakes involved in this political battle, and were solidly behind him and his government. The situation in the North and South of the country, he described as much more serious. In these areas (and particularly in the South), the people were more thinly spread geographically and more naive politically. They were not fully aware of the issues involved in the struggle, and were more susceptible to Communist propaganda and more amenable to Communist terrorist pressures. He went on to say that although the dissident sects had suffered severe defeats in the recently completed fighting in and around Saigon, the remnants of one of the sects was firmly entrenched along the Southwest border of the country in the vicinity of Tran Chau. The Viet Minh had succeeded largely in taking over this organization, and in providing the leadership for the fighting which is presently going on in this area. Everything which the President said about the internal situation indicated to me that he was much more worried about the task of preserving internal order than I had thought possible.

The President said he had three major plans of action in mind to attempt to control this new and vigorous Viet Minh campaign in the country. First, he intended to step up the tempo of operations against the organized dissidents in the South of the country. One Vietnamese division was engaged in this action, and two more were due to join in the near future. Secondly, he intended to conduct a widespread campaign of political education in order to try to convince the population that their best interests lay in support of his government. Lastly, he hoped to form in each of some 6,000 Vietnamese villages a small village militia of about ten men. He hoped to have U.S. support in order to arm these militiamen and to finance the effort. His thought was that these militiamen would devote their full time to the security job. He felt that the presence in each village of an armed and organized group would provide the surest means available of combating the widespread terrorist activities of small Viet Minh groups. I interrupted at this point to tell the President that I was very surprised at what he had told me. I said that the election results seemed to indicate that he had a wide basis of population support within the country. It seemed to me that such public support of the government would make very difficult Viet Minh terrorist activities of the type he had described, since the operation of small Viet Minh groups within Vietnam required both acquiescence and active support on the part of the population. I mentioned, for example, that one of the things that made Viet Minh guerrilla activities so difficult to combat during the Indo-China War had been the fact that the Viet Minh were able to disappear into the villages, where to the French they were indistinguishable from the other villagers. The Viet Minh had also been able to subsist from the countryside during these operations. I said I did not understand how they were able to operate in a similar situation in Viet Nam today. Diem said that the elections had demonstrated widespread support for his government, but that the political naivete of the people made them incapable of effectively opposing Viet Minh terrorist activities. He said that neither the Army nor the police were able to cover every village and hamlet in Vietnam, and that only the formation of a militia group in each village would insure effective opposition. (I noted, but did not comment on the fact, that it would be most difficult to select proper individuals to arm from amongst a population whose loyalties were as uncertain as the President's conversation seemed to indicate.)

Diem then went on with a description of the threat of overt Viet Minh aggression with which he felt his country was faced. A summation of his description is as follows. Viet Minh forces could easily cross the 17th parallel, and rapidly overrun the Northern section of the country. They also had considerable capability to infiltrate through mountain trails on the Northwest borders of the country. Such infiltration would involve transit through Laos, but, according to the President, this route was being widely used by the Viet Minh to infiltrate agents into his country. He also said that the Communists had a great capability for landing forces along the Viet Namese Coast from junks, and indicated that he did not feel that the Viet Namese presently had sufficient capability to effectively spot and oppose these landings. Throughout his discussion of the Viet Namese capabilities, the President indicated that in his opinion these forces could move rapidly over areas containing few if any roads, and that they could make these movements in sufficient force to overcome the resistance with which they would be faced. On the other hand in discussing the Viet Namese capabilities to oppose such overt action, the President stressed the present lack of motor transportation in the

Viet Namese forces which, he said, would seriously handicap their resistance. I pointed out to the President the inconsistency of his views with regard to Viet Minh capabilities as opposed to his own, and said that I did not understand how he expected the Viet Minh to move such large forces rapidly without large motor transport. In replying to this question, Diem simply restated his previous opinion that the Viet Minh could do it because of their organization and training, but that his forces were organized to utilize motor transportation and needed it to carry out their plans. I then said that I felt the Vietnamese Navy should be able to do a better job than they had done of interrupting or interfering with Communist seaborne infiltration along the Viet Namese Coast. I said that I believed an aggressive campaign on the part of the Viet Namese Navy to capture or sink Communist junks seemed within the capabilities of the Navy. Diem then launched into a description of the French lack of cooperation in this regard. The summation of his remarks can be made in two points. First, he felt that the French refused to assist with naval forces in stopping Communist traffic into Viet Nam. Secondly, he believed that the French were actually assisting and cooperating with the Viet Minh in bringing personnel and supplies by sea into Viet Nam. The President did not believe that the efforts of the Viet Namese Navy could be successful until or unless an end were put to the duplicity of the French Naval Forces in Viet Nam.

Diem then returned to the subject of organized dissident activity in the South. He pointed out that a considerable part of the Viet Namese Military Establishment had to be devoted to combating this type of activity and to preserving order within the country. While engaged in such tasks, he said, these forces were unable to carry out the training which was necessary in order to prepare them for their primary job of being able to resist overt aggression from the Viet Minh. For this reason, he felt it most important that he receive U.S. support of his plan to arm a militia in order that he could return the regular forces to their primary job of training. The President then described at some length the overall Viet Namese plan for defense of the country. This plan is based upon a division of the country into four sectors, each under an overall Army commander. The supply system is being built in such a fashion so as to be able to support these sector commanders in their operations. Diem pointed out one of the great lacks in the supply system was the lack of adequate transportation nets to support and serve the system. He said that he hoped the United States would be able to furnish the financial aid and heavy machinery necessary to build an adequate road net to support this logistic system. Throughout this portion of the discussion, I was struck by the fact that the President considered the chief danger to his country lay in the possibility of overt aggression from the North. To this end, he was very concerned with freeing the Armed Forces from their internal security tasks so that they could train and prepare to resist such an invasion. On the other hand, the conditions he described were primarily dangerous because of the lack of internal stability within the country. In point of fact, these conditions seem to me very like those which existed in the Philippines in 1950 and 1951. I mentioned this similarity to the President, and suggested he might study the methods used by President Magsaysay to restore internal stability to the Philippines during this period.[3] Diem indicated that this might be worthwhile, but immediately thereafter returned to his theme of preparing the Armed Forces to resist Viet Minh overt aggression. Although I made several attempts to point out the desirability of using the Armed Forces for internal security, I do not believe that President Diem changed any of the preconceived ideas he had at the beginning of our meeting.

This meeting with Diem was both surprising and, in some ways, disappointing to me. He was much more pessimistic concerning the conditions in South Viet Nam than I had supposed that he would be. He quite evidently feels that the French are not only failing to cooperate with his government, but are actually working against him in cooperating with the Viet Minh. From the amount of interest which he showed in the military situation and the great detail in which he discussed it, I would surmise that Diem himself is actually functioning as the Minister of Defense of his country. If this is so, I would say that his grasp of the problem which faces him is defective and will not be corrected unless it be through the medium of U.S. advice to him.

Throughout our conversation, I was impressed by the seriousness with which the President tackles his job, and by the obvious honesty of purpose which inspires him.[4]

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[3] President Magsaysay was Minister of Defense during this period.

[4] Admiral Radford included a briefer summary of this conversation in his trip report to the Secretary of Defense dated February 7, 1956. At the end of the Vietnam section of that report he stated: "All of my meetings at Viet Nam clearly pointed up the fact that the size of our MAAG must be increased if we are to make an effective fighting force out of the Viet Namese military establishment. The present self-imposed limitation under the Geneva Accords puts a ceiling upon our MAAG personnel which is far short of our present requirements in Viet Nam. If and when further withdrawals or reductions of the French forces in Viet Nam occur, the shortage of U.S. personnel will become even more acute." (Naval Historical Center, Radford Papers, 333.1 (Trip 9) 12/12/55–1/19/56)

287. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, December 31, 1955—3 p.m.

2648. Reference: Department telegram 2179[2] and 2189;[3] Embassy telegram 2647.[4]

1. We fully recognize need additional MAAG–TRIM personnel for training purposes as well as to check and handle redistribution MDAP equipment which French no longer capable of processing, and we would not challenge, therefore, military arguments for wishing to disregard restrictions resulting from Geneva Armistice.

2. We note, however, absence any discussion in Deptel of political repercussions of a possible change of policy, and feel obliged to point out that these might be very serious and even have a military bearing. Although exact sequence of events cannot be forecast with any certainty, following developments must be considered as possible consequences any action our part which would be viewed by other parties as open US violation of provisions of armistice: (a) hardening of Vietnamese position to point where Vietnamese cease to provide minimum cooperation considered necessary by ICC; (b) adoption by French of position that they no longer able to carry out armistice by virtue of US refusal to cooperate; (c) decision by ICC that commission can no longer function in Vietnam with blame placed in part on

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[1] Source: Department of State, Central Files, 751G.5–MSP/12–3155. Secret. Repeated for information to Paris, London, Ottawa, New Delhi, Phnom Penh, and Vientiane.

[2] In this telegram, December 24, the Department, while stating that it had not decided to change policy with respect to the current MAAG ceiling, nonetheless instructed the Embassy, pending a final NSC or interdepartmental decision, that it was "essential that we not commit ourselves on applicability of and U.S. compliance with possible ICC controls to MAAG personnel," and outlined the steps necessary for maintaining this interim position. (*Ibid.*, 751G.5–MSP/12–2255)

[3] In this telegram, December 24, the Department sent the Embassy the text of the JCS memorandum to the Secretary of Defense dated December 9 (Document 282), and a covering letter dated December 13 from Wilson to Dulles. In strongly urging that the Department of State allow the MAAG to exceed the ceiling of 342, Wilson acknowledged that certain U.S. commitments had been made to other governments with regard to maintaining the ceiling, but argued that "military considerations in this instance might well be considered as over-riding since the Chief of the U.S. MAAG, Viet-Nam has been assigned the responsibility for developing those forces required to produce and maintain internal security in that country in accordance with an approved NSC decision. . . . If a favorable solution to this problem is not forthcoming in the immediate future, it is considered that the NSC military objective should be revised downward so as to reflect a mission which might reasonably be accomplished by the MAAG, Vietnam." (Telegram 2189 is in Department of State, Central Files, 751G.5–MSP/12–2455; quotations here are from Wilson's signed letter, *ibid.*, 751G.5–MSP/12–1355)

[4] In this telegram, December 31, the Embassy asked for further clarifications on the position it was to take on the question of ICC control of the number of MAAG personnel. (*Ibid.*, 751G.5–MSP/12–3155)

US; (d) eventual denunciation of armistice by DRV on ground agreement rendered void by flagrant violation in south, followed by increased Chinese military intervention in north; (e) general impression throughout world (particularly among neutral Asian states) that collapse Geneva settlement brought about largely by US actions; (f) use by DRV of our action as pretext for any eventual aggressive moves on their part.

3. We are under no illusion that Geneva settlement represents any stable long-term solution that ICC can (or should) remain indefinitely in Vietnam as question is rather one of timing: whether for sake of limited military advantage this time we should take action which would afford other parties involved with opportunity (which many would rejoice in) of placing onus for collapse of Geneva settlement on US doorstep, or whether a little more flexibility our part at present juncture might not avoid this predicament while still permitting some solution to be gradually worked out which would safeguard our military interests.

Reinhardt

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288. Memorandum From the Director of the Office of Philippine and Southeast Asian Affairs (Young) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)[1]

Washington, January 18, 1956.

SUBJECT

Report of Defense–State–ICA Special Mission to Free Viet-Nam (November–December 1955)

You will recall that a Special Survey Mission was sent to Saigon in November 1955 to collect and evaluate information on which to base decisions regarding the amount of funds to be allocated in support of the Vietnamese forces in FY 1956 and to seek from Congress for FY 1957. The Mission was headed by Major General Lawton, Chief of the Budget, Department of the Army.

The Mission has now presented its report.[2] A summary of this report is attached which you may wish to distribute to other officials in the Department. I believe it would also be useful if you could talk with General Lawton, for he feels very strongly about the conditions he found in Viet-Nam.

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[1] Source: Department of State, Central Files, 751G.5–MSP/1–1856. Secret. Memorandum and attachment drafted by Price.

[2] Not found.

Recommendation

That the attached summary be sent to the Under Secretary, to Mr. Hill, Special Assistant to the Under Secretary for Mutual Security Affairs, and to Mr. Prochnow, Deputy Under Secretary for Economic Affairs.[3]

[Attachment]

SUMMARY OF THE LAWTON MISSION REPORT

The cost of maintaining the Vietnamese forces in 1955 was substantially less than anticipated. In early 1955 it had been anticipated that the cost would be $315 million of which the U.S. would contribute $235 million. Present estimates are that when the accounting period is completed costs will total $223 million of which $143 million will be contributed by the U.S. It is anticipated that the balance of funds allocated for support in 1955 will be carried over to help meet costs in 1956.

MAAG Saigon estimated that costs in 1956 would be $218 million, which the Survey Team recommends be reduced to $184 million. Principal recommended reductions are in construction and matériel. Both MAAG Saigon and the Survey Team recommended inclusion in the military budget for military support of $6 million for the village militia in which President Diem is very interested. The estimated Vietnamese contribution would be $20 million, leaving costs of $170 million to be covered by the U.S.

MAAG Saigon estimates that total costs in 1957 would be $220 million which the Survey Team recommends be reduced to $185 million. Again, principal reductions are in construction and materiel and both recommend $6 million for the village militia. The Vietnamese contribution is again estimated at $20 million leaving $171 million to be covered by the U.S.

Up to the present time MAAG Saigon has placed principal emphasis on training and remarkable progress has been made in the last eighteen months. However, due to lack of progress in logistics and administration, the Mission doubts that the Vietnamese Army could conduct sustained combat because of its inability to supply and distribute. The Mission considers it impossible to give proper attention to the problem of logistics and administrative training within the existing MAAG personnel ceiling of 342.

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[3] A marginal note indicates that this recommendation was carried out on January 23.

With regard to MDAP supplies shipped in, the French followed the practice of opening all packing cases upon receipt thereby often losing the means of identifying the items received. As a consequence, there are large quantities of supplies and equipment now in Viet-Nam which cannot be identified and the process of identification, sorting, and warehousing these items will be almost endless given the present French personnel. The situation might be even worse if the items were dumped on the Vietnamese, in view of their lack of training, or dumped on the U.S., in view of an even more acute shortage of personnel. A correction of this condition would result in considerable savings to the U.S., since some equipment is now exposed to the elements and is deteriorating, and due to lack of information the U.S. is probably shipping in, or will be called upon to ship in, supplies which already exist in Viet-Nam.

The French have been selling supplies and matériel to the Vietnamese and will shortly begin negotiations to sell fixed installations in South Viet-Nam to the Vietnamese. Presumably these supplies and matériel are of French origin but some cases have already been found where these items were of U.S. origin and given to the French by the U.S. Also, the U.S., through the aid program to the French budget, may have contributed to the construction of the fixed installations. Since we are now supporting the Vietnamese budget the U.S. may be paying for some items a second time.

The Mission believes that the MAAG controller needs additional staff in order to control expenditures of U.S. funds and train the Vietnamese in budget, fiscal, and auditing procedures.

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289. Memorandum From the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Secretary of State[1]

Washington, January 18, 1956.

SUBJECT

Problem of the MAAG Ceiling in Vietnam

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[1] Source: Department of State, Central Files, 751G.5/1–1856. Secret. Drafted by Kattenburg with concurrences from PSA, FE, L, and C; a marginal note on the source text indicates that the Secretary saw this memorandum.

Problem

1. The Secretary of Defense and the JCS have strongly recommended in the attached letter to you (Tab A[2]) that we allow MAAG Viet-Nam to exceed the ceiling of 342 under which they have been operating since the coming into force of the Armistice Agreement in July 1954, by authorizing the replacement of withdrawing French military training and technical personnel by American military training and technical personnel. The Director of Central Intelligence supports the position of Defense and JCS (Tab B[3]).

Discussion

2. On December 17, 1954, you affirmed to Eden that we had no intention of increasing MAAG Viet-Nam beyond the level obtaining when the Geneva Armistice entered into force. You stated this raised a real problem with respect to training the Vietnamese and would require continuing use of French military personnel (Tab C[4]). This position has subsequently been reaffirmed privately from time to time to Indian and French officials.

3. The withdrawal of French forces from Viet-Nam has taken place at a far more rapid rate than was anticipated. French troop strength prior to Geneva, in 1954, was on the order of 185,000, whereas only about 30,000 French troops now remain, of whom only 122 are engaged in the combined training activity (as against 268 in April, 1955).

4. Defense and JCS have advised you that unless they can exceed the 342 ceiling in the immediate future, the NSC military objective for Viet-Nam will have to be revised downward so as to reflect a lesser mission which might reasonably be accomplished by MAAG Viet-Nam with personnel not exceeding 342.

5. L considers the first paragraph of Article 16 of the Armistice Agreement obscure. One possible interpretation permits the substitution of U.S. training and technical personnel for similar departed French personnel, since this would not result in any "additional military personnel" in Viet-Nam (Tab D[5]). However, it can be argued

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[2] This letter from Wilson, December 13, is not attached to the source text. See footnote 3, Document 287.

[3] This support was in the form of a memorandum from Allen Dulles to John Foster Dulles, December 16, not attached to the source text. (Department of State, Central Files, 751G.5/12–1655)

[4] Tab C, Secto 11 from Paris, December 17, 1954 is not attached to the source text; for text, see *Foreign Relations*, 1952–1954, vol. XIII, Part 2, p. 2385.

[5] Tab D, a memorandum from L, December 6, is not attached to the source text and has not been found. The argument referred to here, however, is repeated verbatim in a later memorandum from L/FE to Hoey, December 21. (Department of State, Central Files, 751G.5–MSP/12–1355)

with equal force that U.S. military personnel is restricted to the number in Viet-Nam at the time of the armistice. This is the view taken by the British in November 1954 (Tab E[6]). L points out that the International Commission is responsible for supervision of the introduction of military personnel (Article 36), and will probably interpret the Agreement to limit U.S. military personnel to the number in Viet-Nam at the time of the armistice.

6. The Embassy at Saigon "fully realizes the need for additional MAAG/TRIM (training) personnel and does not challenge the military arguments for wishing to disregard restrictions resulting from the Armistice Agreement". However, it points out that the political repercussions of a possible change of policy prior to July 1956 might be very serious and might afford other parties involved the opportunity of placing the onus for collapse of the Geneva settlement on the U.S. doorstep.

7. The Embassy's political objections to a change of policy are spelled out in fuller detail in paragraphs 6 and 7 of the attached staff study which also details some of the legal aspects of this question (Tab F[7]).

Courses of Action

8A. If you determine that we should inform the Secretary of Defense and Director of CIA that we consider permissible the replacement of withdrawn French training and technical personnel by American military personnel in similar functions, it is recommended:

(1) That you inform Sir Anthony Eden during his forthcoming visit[8] that in view of the rapid withdrawal of French forces a new situation has been created with respect to the vital task of training the Vietnamese Army which will oblige us to replace withdrawn French by American military training and technical personnel; and

(2) That you inform the Secretary of Defense that, in the additional staffing of MAAG Viet-Nam over 342, Defense should not exceed, without prior concurrence by State, a number to be jointly determined by State and Defense.

8B. If, on the other hand, you determine that it is preferable at this time not to depart from the 342 ceiling, it is recommended that you inform the Secretary of Defense that our policy will be kept under constant review for the next few months and that we will interpose no objection to Defense personnel practices designed to keep the full effective strength of the military component of MAAG Viet-Nam at 342 on duty in Viet-Nam at all times.[9]

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[6] Tab E, described in the list of attachments as "British legal interpretation, November, *1955*" (italics added) is not attached to the source text and has not been found.

[7] This staff study, also drafted by Kattenburg, is not attached to the source text. Text of the study, which is essentially the same as this memorandum but in greater detail, is in Department of State, Central Files, 751G.5–MSP/1–1655.

[8] The reference is to British Prime Minister Anthony Eden's visit to Washington, January 30–February 1, 1956. For extracts of Eisenhower's and senior U.S. officials' discussions with Eden and British Foreign Secretary Lloyd, see Documents 296 and 297.

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[9] There is no indication on the source text of approval or disapproval of these two courses of action, but the instructions in telegram 2503 to Saigon, Document 291, make it clear that 8B was approved.

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290. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, January 20, 1956—4 p.m.

2470. 1. Agree important National Assembly be elected and established soon as possible. Continue keep Diem aware our view March 4 elections date late enough (Saigon 2879[2]). We will talk to Chuong along same line.

2. Share your concern over apparent acceleration defections among Diem supporters (Saigon 2763[3]). Hope Diem and his advisors can refrain from unnecessarily provocative measures in their effort reduce opposition to manageable proportions advance assembly elections. Firm control assembly clearly desirable in unsettled period immediate future and we would view with dismay fragmented assembly from which no sustained and effective support for Diem could be obtained. However seems unnecessary create new antagonisms and

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[1] Source: Department of State, Central Files, 751G.00/1–1756. Secret. Drafted by Kattenburg and cleared with Hoey and Sebald. Repeated for information to Paris.

[2] In this telegram, January 17, Reinhardt reported that on the previous night Diem had confirmed that the government planned to hold elections for the National Assembly during the first week of March, but had been "rather tentative in this assertion. . . . I urged him, as I have on previous occasions, that we consider it important that National Assembly be elected and established as soon as possible and particularly in time to meet whatever problems the new year might bring forth." The telegram concludes as follows:

"As I was leaving, a person close to the President whispered in my ear his hope that Washington would press Diem not to postpone further the date of elections; he said there was quite a heaving and hauling on this point with Diem in the middle. It was the National Revolutionary Movement particularly which desired to postpone the election date even further in the belief that it could thereby produce a more perfect result. I told my informant that I intended to keep Diem aware of our view that March 4 was late enough." (*Ibid.*)

[3] This telegram, January 10, reported defections among members of the Revolutionary Committee and among the Cao Dai (especially the late Trinh Minh The's forces). (*Ibid.*, 751G.00/1–1056)

intensify cleavages beyond point necessary achieve adequate degree governmental stability.

3. First in series *Christian Science Monitor* articles by Saville Davis, appearing January 12, reported widespread graft and administrative malpractice South Viet-Nam. While not directed personally at Diem, article suggests possibility drift away from favorable U.S. press treatment Diem and his administration. Such possibility is further reason for discouraging unnecessary open limitations on apparently legitimate political activity.

4. You may at your discretion wish pass gist paras 2 and 3 above to Diem, Nhu and others.

5. Request follow-up Embassy's 2844[4] determine if possible whether planned election "by absolute majority on single list" presupposes district or country-wide voting system and latest Vietnamese thinking re means by which non-government bloc candidates will obtain listing on ballot.

Dulles

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[4] In this telegram, January 16, the Embassy relayed to the Department the gist of a Saigon newspaper report outlining the planned guidelines and ground rules for the election campaigns for National Assembly deputies. The Embassy reported that it was trying to confirm these details. (*Ibid.*, 751G.00/1–1656)

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291. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, January 23, 1956—6:58 p.m.

2503. For Ambassador. Department's 2189 to Saigon;[2] Saigon 2648 repeated Paris 473 London 221.[3] Secretary January 19 decided we should not now authorize Defense raise MAAG ceiling by allowing substitution U.S. for French military training and technical personnel, or raise this matter with Eden. We should however study other ways and means achieving our vital objectives despite assumed limitations on number U.S. military personnel. Greater use civilian personnel, including military in civilian status, if feasible, contracts with business firms for MDAP redistribution assistance, and exploration with French of possibility attaching FEC elements or individuals to MAAG and additional French to TRIM for specified period were suggested. We also propose tell Defense we will not object personnel practices designed keep full effective strength military component MAAG Viet-Nam to 342 on duty in Viet-Nam at all times thus allowing theoretical excess of ceiling by average daily number military personnel not on duty because of medical, leave, travel or other reasons.

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[1] Source: Department of State, Central Files, 751G.5–MSP/12–3155. Secret; Priority; Limit Distribution. Drafted by Kattenburg; cleared with Hoey, Young, Sebald, Tyler, Phleger, MacArthur, and Murphy; and cleared for transmission by Robertson. Repeated for information to Paris and London.

[2] See footnote 3, Document 287.

[3] Document 287.

Prior holding discussions with Defense this matter request priority your comments from political viewpoint on methods outlined above and your suggestions other possible ways introduce adequate personnel into Viet-Nam without formal introduction additional U.S. military.[4] Will notify you when our position communicated to Defense.

Dulles

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[4] See telegram 2995 from Saigon, *infra*.

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292. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, January 25, 1956—7 p.m.

2995. Re: Deptel 2503.[2]

1. Following are Embassy comments, from political viewpoint, on possibilities suggested by Department. This message has not been coordinated with MAAG.

a. Civilian personnel. No objection introduction additional US civilian personnel. However if such personnel subject military law ICC would presumably consider their entry in same terms as entry military personnel. ICC position on this point taken August 25 (Deptel 1880[3]) but we believe it might be subject revision and suggest Department may wish sound out Canadians and UK on possibility. Pertinent to note that entry into North Vietnam of Chinese and satellite civilian technicians and advisors (of which ICC is of course aware) has not become an issue.

b. Military in civilian status would be obviously less desirable than civilians since there would always be possibility their military connection would become known and subject of complaint.

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[1] Source: Department of State, Central Files, 751G.5-MSP/1-2556. Secret; Priority; Limit Distribution. Repeated for information to London and Paris.

[2] *Supra*.

[3] Not printed.

c. Contracts with business firms for MDAP redistribution assistance would present no apparent problems. However, we believe US should continue to insist French furnish adequate elements to meet their commitments toward US with respect MDAP turnovers.

d. FEC elements attached to MAAG. Considered probable Vietnamese and US military would be reluctant to go along with such procedure. French would probably also be reluctant unless this part of arrangement for French military mission.

e. Attaching additional French to TRIM would not be politically desirable in view of Vietnamese distrust of French and distaste of Vietnamese troops for French instructors. Trend is in opposite direction and we understand Chief MAAG favors further reduction, specifically with respect to French TRIM field advisors.

f. Theoretical excess of MAAG ceiling. Current MAAG personnel practices allow for such excess which we consider reasonable and doubt ICC would view as violation Geneva Agreement.

2. We now have no suggestions other than methods considered above.

Reinhardt

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293. Editorial Note

On January 26, 1956, the National Security Council held its 274th meeting which was primarily concerned with the questions of United States policy in the control of armaments and export controls with the Communist bloc. As usual Allen Dulles began the discussion with his intelligence briefing, "Significant World Developments Affecting U.S. Security". The following extract from that briefing deals with Vietnam:

"The Director of Central Intelligence indicated that in deferenoe to the importance and urgency of the other agenda items, he would restrict his intelligence briefing to comments on two situations where he perceived worrisome trends, namely, South Vietnam and Indonesia.

"Diem was having serious troubles in Vietnam. Infiltration by the Vietminh from the north was increasing. At home, Diem's government was not sufficiently broad-based and elections were coming up in a few weeks. While on the whole Diem had made a good record, the military situation in South Vietnam was not as good as might be hoped.

"Admiral Radford interrupted at this point to say that in the course of his recent visit to the Far East he had talked to Diem for two hours, and had derived from his talk a much worse picture of the situation in Vietnam than he had had when he left Washington. Diem had not singled out the military situation as being a particular worry, but had warned Admiral Radford about the dangers of Vietminh penetration. Diem had indicated to Admiral Radford that he wished the village militia to be enlarged in order to cope more effectively with Vietminh penetration. Moreover, he had complained bitterly about the lack of French cooperation in preventing Vietminh infiltration, especially from the sea. Admiral Radford added that he had spoken to the French Admiral subsequently about this point, and the Admiral had replied by stating that the Vietnam Navy itself was capable of preventing this infiltration; besides which, it was doubtful if the French Navy could assist Diem, because such assistance would be contrary to the terms of the Geneva Convention. In any event, Admiral Radford stated that Diem firmly believed that the French, at least those in the lower echelons, were actually assisting dissident groups in South Vietnam. Some suspicion of French motives, Admiral Radford said, was to be found in Laos and Cambodia. Mr. Allen Dulles commented that the time was at hand for a fresh review of the situation in South Vietnam." (Memorandum of discussion by Gleason, January 27; Eisenhower Library, Whitman File, NSC Records)

For a report of Radford's discussion with Diem on December 28, see Document 286.

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294. Memorandum From the Secretary of the Air Force (Quarles) to the Secretary of Defense (Wilson)[1]

Washington, January 28, 1956.

SUBJECT

Observations on Recent Far East Visit—Vietnam

Two serious problems in Vietnam require attention. The most urgent of these is the necessity to achieve an agreed upon plan (France–U.S.–Vietnam) for withdrawal of French forces. The present basis of action is an unplanned and unpredictable reduction of French forces, often at a rate exceeding the capacity of the Vietnamese to fill the resulting military vacuum. French forces are now maintained in Vietnam on an almost month-to-month authority. Funds for the continuance of French elements in Vietnam extend only to 20 March 1956. The Vietnamese are impatient about French withdrawal, want them out regardless. The French feel the Vietnamese are incompetent to take over and carry on. An objective plan that faced the realities and submerged animosities for the time being is badly needed and our mission should be encouraged to use its good offices to this end. It may exceed the present authority which Paris has given General Jacquot, the local commander.

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[1] Source: Washington National Records Center, OASD/ISA Files: FRC 60 A 1339, 200 Vietnam. Secret.

The second problem is produced by the present U.S. interpretation of the Geneva agreements. Our State Department holds that no more U.S. military personnel may be maintained in Vietnam than were there at the time of the Geneva truce. This has the effect of limiting the MAAG Chief to about half the personnel needed for his training missions. Two solutions suggest themselves. One is to press for a more liberal interpretation of the Geneva Agreement that recognizes that U.S. forces might increase as French forces decrease. The other is to reach agreement with the Vietnamese and the French to the end that the MAAG may have the services of French technicians in the number needed. General Jacquot viewed this concept favorably, and President Diem would accede to it as a last resort, although much preferring U.S. personnel.

Donald A. Quarles

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295. Letter From the Secretary of Defense (Wilson) to the Secretary of State[1]

Washington, January 31, 1956.

DEAR MR. SECRETARY: Since my letter to you of the 13th of December[2] regarding the Viet-Nam situation, the Interagency Costing Team[3] sent to Saigon to study military finance and related matters, has returned and submitted its report.[4] The recommendations of the Team will lead to substantial improvements in budgeting, including savings of millions of dollars during the calendar year 1956. Steps have already been initiated to realize these savings.

The Team also studied the logistic situation in Free Viet-Nam and has reported deficiencies which are of greatest concern to me. Only by prompt action at highest departmental levels will it be possible to correct the problems.

Since the recent heavy phasedown in French forces, an adequate logistic capability in Free Viet-Nam no longer exists. The Team reported that ". . . the capability of supply of forces in the field in the event hostilities should be resumed in mid-1956 would be virtually non-existent."[5] From the standpoint of preservation of U.S. assets, the situation is also most unsatisfactory. Adequate control of MDAP spares and supplies has, in large part, been lost.

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[1] Source: Department of State, Central Files, 751G.5–MSP/1–3156. Secret. This letter is printed also in *United States–Vietnam Relations, 1945–1967*, Book 10, pp. 1046–1047.

[2] See footnote 3, Document 287.

[3] See footnote 4, Document 263.

[4] For a summary, see Document 288.

We have concluded that not less than $100,000,000 worth of MDAP material can be saved if prompt corrective action can be taken. Such action includes the availability in Viet-Nam in the immediate future of 150 to 200 Americans skilled in supply management and logistics.

A further essential factor in achieving effective supply control is the implementation of the Collins–Ely Minute of Understanding of 1 December 1954.[6] This Agreement provides for the return by the French of U.S. equipment no longer required for the purposes for which originally made available. The Agreement further states that decisions on what is to be returned should be made jointly by French and U.S. representatives. Nevertheless, the French are making these decisions unilaterally; it appears that they are carefully sorting out the useful, serviceable items for their own use, and returning the excess and salvage. We know of no valid reason why U.S. personnel should not be allowed to enter French military storage areas to participate in these determinations.

Your assistance in (a) making it somehow possible to bring in additional personnel, and (b) arranging with the French for effective implementation of the Collins–Ely Minute of Understanding is requested on an urgent basis. I recognize that in reaching your conclusions, you must also weigh other factors not discussed in this letter. To enable the Department of Defense to carry out its responsibilities in Free Viet-Nam, however, a solution along the lines discussed above is essential.

Sincerely yours,

C.E. Wilson

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[5] Ellipsis in the source text.

[6] The text of the minute of understanding on the recovery of excess MDAP equipment, as signed by Ely and Collins on December 1, 1954, is contained in telegram 1793 from Saigon as modified by telegram 2023 to Saigon, November 10 and 18, 1954. (Department of State, Central Files, 751G.5–MSP/11–1054)

296. United States Minutes of Bilateral Foreign Ministers Meeting With the United Kingdom, Department of State, Washington, January 31, 1956, 10:30 a.m.–12:30 p.m.[1]

ETW MC–3

[Here follow a list of persons present at the meeting (19) and a table of contents of the discussion. On the British side, in addition to Lloyd, senior officials present included Caccia and Sir Hubert Graves, British Minister at Washington. On the American side, Dulles was accompanied by Hoover, MacArthur, Merchant, Robertson, Bowie, Young, and Winthrop W. Aldrich, United States Ambassador to the United Kingdom.]

Southeast Asia

Viet-Nam

The subject of the Chinese Communist request for a new Geneva Conference on Indochina was discussed.[2] The Secretary and Mr. Lloyd both opposed the idea.

The Secretary said that it was his understanding that President Diem wished to wait until the South Viet-Nam elections on March 4 were held before proceeding any further on the question of consultations on all-Viet-Nam elections. The Secretary hoped that Diem would then take a new look at this whole question. In answer to Mr. Lloyd's question as to whether Diem had ever given any verbal indication that he would consider the question of free elections in Viet-Nam, Mr. Robertson replied that Diem had so indicated on several occasions but had insisted that conditions must exist which would insure that they would be genuinely free. He suggested UN supervision.

The Secretary continued that he would discuss with Diem in mid-March if he visited Viet-Nam after the local elections with a view to try to persuade him to take a position regarding elections which could be construed as conforming to Geneva Agreement. However, the Secretary made clear he had no desire to push the Vietnamese into rigged elections and assumed that the British would not do likewise. Mr. Lloyd agreed. The Secretary had in mind the concept of free elections such as Sir Anthony had proposed for Germany. For tactical reasons the Secretary felt that Diem should not oppose this concept. Mr. Robertson stressed the fact that the Vietnamese people were violently opposed to the Geneva Accords and that Diem apparently felt he had to liquidate the rebellion of the sects and strengthen his internal position before risking an adverse public opinion in appearing to accept the Geneva Agreements.

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[1] Source: Department of State, Secretary's Memoranda of Conversation: Lot 64 D 199. Secret. The source text bears no indication of authorship. The minutes were cleared at the Assistant Secretary of State level and distributed on February 7 on a need-to-know basis.

Foreign Minister John Selwyn Lloyd accompanied Prime Minister Eden for talks with President Eisenhower, Dulles, and other U.S. officials January 30–February 1, 1956. Briefing materials for these discussions are *ibid.*, Conference Files: Lot 62 D 181, CF 647.

[2] Text of Chou En-lai's note of January 26 to the British (as cochairman of the Geneva Conference) condemning South Vietnam's failure to abide by the terms of the Geneva Agreements and demanding convocation of the Conference is in telegram 2563 to Saigon, January 27. (*Ibid.*, Central Files, 751G.00/1–2756)

In commenting on how to handle the Chinese Communist note regarding a new conference, Mr. Lloyd suggested the following procedure: (1) wait for the Soviet Government to get in touch with the UK on the note; (2) then wait for the comments of the other participating members of the Geneva Conference which would take some time; and (3) then wait for the outcome of the March 4 elections in Free Viet-Nam if they have not already occurred and the replies of the Geneva Powers are not yet available. The Secretary said then he would talk with Diem about the middle of March to try to get him to ease the situation. Mr. Lloyd indicated approval.

Mr. Robertson made the point that Diem has already started to carry out consultations by an exchange of letters and radio announcements. Since this in effect amounts to consultations in the sense of the Geneva Agreement we should not accept allegations in the Chinese Communist letter that Diem has failed to consult. We can point to these exchanges as the reason for not needing a conference on Viet-Nam. Sir Harold Caccia stated his complete agreement with Mr. Robertson's point and Sir Harold said he thought this was a very good line to take in handling the request for a new conference. It would be said that the Geneva Agreement was being carried out because Diem has been exchanging views with the North.

Mr. Lloyd asked if the US believes the Communists desire elections in 1956 in Viet-Nam. Mr. Robertson replied that on the basis of available evidence . . . the Communists are becoming reconciled to a postponement of elections. Mr. Lloyd recalled that he had recently seen a paper which suggested that the Viet Minh would now like to have two or three years to undermine South Viet-Nam. Sir Hubert Graves confirmed that there had been an intimation from the Viet Minh of a three to five year postponement.

The Secretary in summary expressed his view that the Communists are anxious for a resumption of the Geneva Conference for broader purposes than just the question of elections on Viet-Nam. They will use that question as a pretext for urging for another conference to bring Chou En-lai into contact with the Western powers and as an excuse to set the stage for a major conference where both Chou En-lai and Molotov could trot out proposals for a regional pact, neutralization, etc. This would also give them a contact with the neutrals and a propaganda forum which would probably be their primary purpose in any conference. Mr. Lloyd agreed.

[Here follows discussion on Malaya, neutralism, SEATO, Laos, and China and Chinese representation in the United Nations.]

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297. Memorandum of Discussion, Washington, January 31, 1956[1]

PRESIDENT'S LUNCHEON FOR SIR ANTHONY EDEN AT THE WHITE HOUSE

(See list attached for attendance)[2]

Secretary Dulles reviewed the work of the delegations during the morning, drawing particular attention to matters which would require the attention of the President and the Prime Minister. In the Far East, the situation in Viet-Nam had been discussed, with particular attention to the problem arising from Diem's unwillingness to hold general elections in Viet-Nam this year. Secretary Dulles said he would talk to Diem during his visit to the Far East in a month or so. It might be possible, after elections in Viet-Nam are held which are expected to give a legal basis to Diem's regime, that something can be done on this matter. If Diem still opposed elections, his opposition could be based upon the impracticability of holding free elections in the Viet-Minh area.

The situation in Laos was also discussed during the morning, with recognition that the Communists had not complied with the terms of the Geneva agreement. This non-compliance could be used as a basis for criticism of the Communists.

[Here follows discussion primarily on the off-shore islands question and Chinese representation in the United Nations.]

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[1] Source: Department of State, Conference Files: Lot 62 D 181, CF 648. Secret. Drafted by Goodpaster, the President's Staff Assistant. No drafting date is given.

[2] The list is not attached to the source text. There is a list of participants attached to the U.S. minutes of this meeting, ETW MC–4, February 7. (*Ibid.*, Secretary's Memoranda of Conversation: Lot 64 D 199) According to it, the U.S. participants were Eisenhower, Dulles, Aldrich, MacArthur, Merchant, Eisenhower's friend George Allen, Robertson, and Goodpaster. The British participants were Eden, Lloyd, Makins, Caccia, and Sir Leslie Rowan, Second Secretary, British Embassy.

298. Memorandum From the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Deputy Under Secretary of State (Murphy)[1]

Washington, February 2, 1956.

SUBJECT

Logistics and Training Problems in Viet-Nam in Relation to MAAG Personnel Ceiling (Your meeting with Defense 5 p.m., February 2[2])

1. There are three distinct but related problems on this subject: a) training of the Vietnamese Army (Secretary Wilson's letter of December 13[3]); b) implementation of the Ely–Collins Minute of Understanding of 1 December 1954[4] providing for full return by French of U.S. equipment no longer required for purposes for which made available; and c) logistical support and training of the Vietnamese Army. FE suggestions on solutions for these problems are contained in paragraph 6 of this memorandum.

2. Secretary Wilson has followed up his letter of December 13 regarding the handicaps faced by Defense in accomplishing its mission of training the Vietnamese Army under the 342 U.S. military personnel limitation (Tab A) by a new letter dated January 31[5] on the MDAP redistribution and logistical support problems raised in Viet-Nam by the recent heavy phase-down of French forces (Tab B). An Interagency Costing Team under General Lawton has recently studied this problem in Saigon and in submitting its conclusions and recommendations has reported logistical deficiencies which are of the greatest concern to Defense[6] (Tab C). Our assistance is requested on an urgent basis: a) to make possible the bringing in of additional personnel and b) to arrange with the French for effective implementation of the Ely–Collins Minute of Understanding.

3. The Secretary on January 19 decided we should not now authorize Defense to raise the MAAG ceiling by allowing substitution of U.S. for French military training and technical personnel.[7] We should, however, study other ways and means of achieving our vital objectives despite assumed limitations on the number of U.S. military personnel. Greater use of civilian personnel, including military in civilian status if feasible (Suez Canal Base Formula[8]), contracts with

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[1] Source: Department of State, Central Files, 751G.5/2–256. Secret. Drafted by Kattenburg with Young's concurrence.

[2] For a report of that meeting, see *infra*.

[3] See footnote 3, Document 287.

[4] See footnote 6, Document 295.

[5] Document 295.

[6] See Document 288.

[7] See footnote 9, Document 289.

[8] The reference is to an Anglo-Egyptian Agreement of October 19, 1954.

business firms for MDAP redistribution assistance, exploration with French of possibility attaching FEC elements or individuals to MAAG and additional French to TRIM for specified period were suggested. We would also not object to personnel practices designed to keep the full effective strength of the military component of MAAG Viet-Nam to 342 on duty in Viet-Nam at all times thus allowing theoretical excess of ceiling by average daily number of military personnel not on duty because of medical, leave, travel or other reasons.

4. Neither the Secretary's decision of January 19 nor the suggestions above have yet been formally communicated to Defense. Our Ambassador at Saigon has concurred in general with the possibilities suggested.[9] (Tab D)

5. On January 24 the Vietnamese Government handed us a formal note[10] requesting that the U.S. send to Viet-Nam additional military instructions [*instructors*?] to offset the evacuations of the FEC. We have told Saigon not to respond to this request, but merely acknowledge it for the time being.[11] At the same time, the Vietnamese Government has given a note to the French Government expressing "agreement" of the Viet-Nam Government to complete withdrawal of the FEC from Viet-Nam. The French have not yet answered the note but have let it be known to our Embassy in Paris that they are in fact disposed and would be prepared to retain some FEC force in Viet-Nam provided Viet-Nam requests them to do so and does not pose preconditions no French Government is likely be able to meet.[12]

6. a) We believe solution of the MDAP redistribution problem (Ely–Collins Minute) lies mainly in getting the French to perform and we should consider a diplomatic approach to the French at the Washington and Paris level, if necessary. In regard to the logistics support of the Viet-Nam Army, we believe that in addition to

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[9] See Document 292.

[10] Text of this note is in telegram 2977 from Saigon, January 24. (Department of State, Central Files, 751G.5/1–2456)

[11] Telegram 2610 to Saigon, January 31, not printed. (*Ibid.*, 751G.5/1–1956)

[12] The Embassy had reported on the French reaction to the Vietnamese note in telegram 3327 from Paris, January 25:

"In sum Roux conveyed distinct impression French consider retention French force South Vietnam desirable.

"In response question, Roux said Jacquot estimated 12 to 15,000 FEC residual force could carry out training responsibilities Cambodia, Laos (including base complement Seno) and South Vietnam, as well [as] armistice responsibilities, protection ICC personnel et cetera South Vietnam."

The Embassy commented that this information was in accordance with its previous view that France would be willing to maintain the FEC around the 15,000-man level "provided Vietnam requests them do so and does not pose pre-conditions no French government likely be able meet." (*Ibid.*, 751G.5/1–2556) present MAAG and French capabilities in this respect, a possible solution might be the hiring of Japanese, Chinese, and Filipino personnel who were previously employed by the U.S. forces in their own countries and have been trained in U.S. supply procedures, as recommended on page 10 of the Interagency Costing Team Report. As regards both these problems, we think civilians on a contract basis and possibly soldiers out of uniform would also relieve the MAAG. In regard to training of the Army, the best present solution would seem to be to devote maximum number of spaces within MAAG to that vital operation, including theoretical excess of ceiling as described in paragraph 3 above. b) Embassy Saigon states in telegram 3130, February 2[13] (Tab E), that if present limitations on MAAG personnel remain in effect, MAAG estimates approximately 1000 French troops would be required for period of about one year to implement Ely–Collins Minute effectively and another several hundred for indefinite period to continue training of the Army and Navy. The Embassy believes the Vietnamese could continue to demand withdrawal of the FEC and at the same time agree to retention of such a residual force if these troops were given specific missions and a different label, such as French Military (or Liaison) Mission. The Embassy believes the Vietnamese Government might be induced to agree to retention of French personnel on this basis, and both Embassies Paris and Saigon believe the French might agree if requested by the Vietnamese and U.S.

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[13] Not printed. (*Ibid.*, 751G.5/2–256)

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299. Memorandum of a Conversation, Washington, February 2, 1956[1]

SUBJECT

State–Defense Meeting, February 2, on Problem of MDAP Redistribution in Viet-Nam in Relation to Limitation on MAAG Personnel.

PARTICIPANTS

Defense:
Mr. Gordon Gray
General Fox
General Brown
Admiral Wilkins

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[1] Source: Department of State, Central Files, 751G.5–MSP/2–1056. Secret. Drafted by Kattenburg on February 10.

Mr. McGuire
Capt. Robins
Mr. Wescott and others

CIA:
Mr. Allen W. Dulles

State:
Mr. Murphy
Mr. Robertson
Mr. Young
Mr. Raymond[2]
Mr. Kattenburg

Mr. Gray indicated the meeting had been called to explore possible solutions to the urgent problems of logistics and training that we confront in Viet-Nam as a result of the 342 limitations on MAAG personnel, which State had continued to be unwilling to lift. Mr. Gray did not feel that this was an NSC problem at this stage but that we should for the present continue to seek mutually acceptable solutions.

General Fox indicated that Defense needed twice the present number of its personnel in Saigon, or at least 636 personnel in the MAAG. If we could not do this there might be serious embarrassment for all of us, as the French were taking out all kinds of equipment, some of it was rotting away because of poor handling and neglect, and U.S. assets were being totally dissipated. Mr. McGuire underlined what General Fox and Mr. Gray had stated.

Mr. Murphy asked whether the additional personnel to be sent in must be U.S. military in uniform. The Defense side stated that in their view they should be. Mr. Murphy again asked why it was necessary to have a sergeant wearing stripes. Could he not be a sergeant in civilian clothes? Mr. Robertson emphasized that we were in complete agreement as to the basic objectives, but that the Secretary and our lawyers felt only that we should not do this in such a way as to flaunt the Armistice openly and possibly bring about a highly dangerous Viet-Minh reaction. Could we not show more ingenuity in achieving this vital task of training the Army and retrieving our equipment?

The Defense legal representative stated that he saw no legal bar to sending additional military personnel; even if the first provision of Article 16 of the Armistice Agreement could not be interpreted as allowing U.S. military personnel to replace the French, it was a fact that MAAG operated as part of the diplomatic mission and consequently did not have to be considered as military personnel, even though uniformed. Mr. Raymond replied that from the State legal point of view several interpretations (in fact six of them) were possible and that it was not at all clear which was the right one.

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[2] John M. Raymond, Acting Deputy Legal Adviser.

Speaking for the Military Executive Agency in the area (Navy), Admiral Wilkins indicated that 636 personnel in MAAG would achieve only the training objective. In order to realize all MAAG needs, including the urgent task of retrieving U.S. equipment, MAAG needed a total of 1700–1800 personnel. . . . Mr. Robertson indicated that Ambassador Reinhardt had suggested in a very recent telegram that a French military Mission of about 1,000 might be left in Viet-Nam to perform on the MDAP redistribution problem.[3] Mr. Robertson asked whether Defense would agree to this solution if the French and Vietnamese were willing to leave enough French in the field to do this.

Admiral Wilkins gave a highly tentative approval to this idea, provided in addition we could introduce 200 supervisory personnel to direct the operation. Mr. Robertson asked whether these could be civilians, i.e. soldiers not in uniform. General Brown and the Defense legal representatives agreed to look into this matter, to explore it further, and to let us have their views.

Mr. Gray agreed that Defense should undertake further exploration of various suggested solutions and that they would communicate further with us on the entire problem.[4]

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[3] Telegram 3130 from Saigon, February 2, partially summarized *supra*.

[4] See the memorandum of discussion at the State–JCS meeting, *infra*.

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300. Memorandum of Discussion at a Department of State–Joint Chiefs of Staff Meeting, The Pentagon, Washington, February 4, 1956, 11:30 a.m.[1]

[Here follows discussion on the Neutral Nations Supervisory Commission in Korea.]

2. Vietnam

Mr. Murphy mentioned yesterday's [*sic*] meeting[2] between officers of the Department and a Defense Department group headed by

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[1] Source: Department of State, State–JCS Meetings: Lot 61 D 417. Top Secret. A note on the source text reads: "State draft. Not cleared with any of the participants." In all 23 persons attended the meeting including Radford and all the Chiefs of Staff; Gray, Fox, and Sullivan for Defense; Murphy, MacArthur, and Robertson for State; Cabell for the CIA; and Gleason for the NSC.

[2] See the memorandum of conversation, *supra*.

Assistant Secretary Gordon Gray on the MAAG problem in Vietnam and the deterioration of U.S. equipment furnished earlier to the French in Indochina and now virtually abandoned in Vietnam. He continued that the matter had been brought to Secretary Dulles' attention this morning and that the Secretary had directed immediate discussions with the UK and Canada to enable us to send a sufficient number of personnel to salvage and maintain the U.S.-supplied equipment. The Secretary had reiterated his view that with sufficient ingenuity of approach we should be able to work ourselves out of the difficulty caused by the ceiling on the number of officers to be assigned to the MAAG for training purposes.

Admiral Radford observed that the sooner the French are out of Vietnam, as well as Laos and Cambodia, and the sooner we take over all training the better. He declared that French training is entirely inadequate and that the French presence now causes more trouble than it is worth. He suggested that perhaps the Thais could assist in replacing the French in Laos, for instance. He agreed with Ambassador Reinhardt's recently expressed views that it is unrealistic to plan on strengthening the TRIM organization, and he remarked incidentally that he had not yet received the memorandum promised him by Ambassador Reinhardt on his and the Ambassador's conversation in December with French Admiral Jozan.[3] Admiral Radford expressed the view that Jozan should be removed from Indochina, commenting that he is a man steeped in bitterness over France's Indochina debacle and is basically hostile toward the United States. In response to an inquiry from Mr. Murphy as to the present role of the French navy in Vietnam and as to why it is not cooperating more fully with the Vietnamese, Admiral Radford stated that Jozan's ultimate aim is to arrange matters so that eventually France would have bases in Indochina similar to U.S. rights in the Philippines. However, he said, the French are unwilling now to give the Vietnamese proper assistance even in patrol activities, and there is suspicion that they are not above winking at Vietminh infiltration along the coast of Vietnam. The Admiral declared that the whole situation out there is not going well, and he fears it will not get any better. In connection with Secretary Dulles' view as to our problems under the Geneva agreement, Admiral Radford stressed that he would strongly recommend sending out people into Vietnam in uniform. He and other members of the JCS appeared to be in general agreement that the several suggested alternatives to the use of regular military personnel would be neither efficient nor effective.

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[3] Not found. A brief summary of this conversation, held December 29, is in Radford's trip report to the Secretary of Defense dated February 7. (Naval Historical Center, Radford Papers, 333.1 (Trip 9) 12/12/55–1/19/56)

[Here follow a briefing by the Department of State on the Eisenhower–Eden and Dulles–Lloyd talks, January 30–February 1, and a general report by Radford on his recent trip to the Middle and Far East.][4]

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[4] Vietnam was discussed again at the next State–JCS meeting held February 10. The section of the memorandum of discussion pertaining to Vietnam follows:

"As regards *Vietnam*, Admiral Radford said that he had received a much blacker picture of the situation from Premier Diem than he had anticipated. He thinks Diem has done a good job against great odds. Diem claims that the French naval patrol is allowing the Vietminh to infiltrate all along the coast and Admiral Radford commented that there is no doubt that the French are bitter over the general situation in Indochina and their loss of position and are not fulfilling their responsibilities in either Vietnam, Laos or Cambodia. He repeated earlier statements as to the harmful effect on our position caused by our self-imposed restriction on the size of our military mission there. Mr. Robertson suggested that if the French should move out entirely and we, because of political problems arising from the Geneva agreement, were not able to replace them in numbers sufficient to accomplish our objectives, that would leave a dangerous vacuum. He pointed out that the French have definite responsibilities under the Geneva agreement with respect to Vietnam and that the same is true in Laos. Admiral Radford commented that, on balance, he is not sure whether we would not be better off if the French left the Indochinese states altogether." (Memorandum of discussion at State–JCS meeting, February 10; Department of State, State–JCS Meetings: Lot 61 D 417)

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301. Intelligence Brief Prepared in the Office of Intelligence Research, Department of State[1]

No. 1876 *Washington, February 7, 1956.*

THE GENERAL SITUATION IN SOUTH VIETNAM

The position of the government of South Vietnam is appreciably stronger than it was a year, or even six months ago. Within the past several weeks, however, signs of new political stresses have appeared, and the Communists are apparently stepping up their campaign against the South Vietnamese Government.

The coming months are likely to see new crises, in view of: 1) the Chinese Communist request on January 26 for a reconvening of the 1954 Geneva Conference on Indochina; 2) the absence of any real prospect that the nation-wide election, stipulated in the Final Declaration of the 1954 Geneva Conference, will be held by July; and 3) the reported increase in opposition to President Ngo Dinh Diem and the Communist attack on programs strengthening the Diem government, specifically, the March 4 election for a national constituent assembly.

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[1] Source: Department of State, INR Files. Secret. Printed also in *United States–Vietnam Relations, 1945–1967*, Book 10, pp. 1048–1050.

Internal Security

Since the virtual elimination of the Binh Xuyen as a military force and the neutralization of a major portion of the Cao Dai units, the principal threats to internal security in South Vietnam come from the clandestine Communist apparatus and from the remnants of the Hoa Hao sect. The Communists have an estimated 10,000 guerrillas in South Vietnam, scattered in small groups in rural areas but presumably still responsive to control from Hanoi. The principal infested areas are the plateau region of northern South Vietnam, the southern peninsula (Camau), and the canal-woven area southwest of Saigon where the Vietnamese National Army (VNA) is currently engaged in operations against Hoa Hao. Communist agents reportedly have been successful in infiltrating remaining Hoa Hao groups—chiefly Ba Cut's organization. The latter's increasingly effective defensive tactics have made recent VNA operations relatively costly.

In addition to the continuing presence of these guerrilla elements, the Communists have presumably tried to penetrate all branches of the government. The most frequent reports suggest heavy penetrations of the Information Ministry. The absence of reliable information does not disprove some probable penetration of police and military services, particularly at lower levels. The Communists have a surviving capability to disrupt governmental operations, and perhaps to immobilize the regime, through a coordinated campaign of terror and assassination—a capability they have thus far chosen not to exercise.

Political Problems

The March 4 election will, in all probability, produce a national assembly that will overwhelmingly support Diem and approve the constitution that a pro-Diem commission has prepared. The constitution will establish a presidential system with separation of powers. Balloting will not indicate accurately the extent of anti-Diem sentiment, for a number of nationalist leaders, particularly refugees from the north, appear disinclined to risk censure or repression by contesting the election as opposition candidates.

It will be essential, in the immediate future, that Diem have effective control over the administration and the national assembly. He has the support of the National Revolutionary Movement (NRM), which has become, in effect his political party. There is some question, nevertheless, whether at present Diem is unnecessarily antagonizing elements which might add strength to the future government.

He remains almost pathologically sensitive to criticism and potential opposition, with the result that the regime is becoming increasingly autocratic despite his democratic principles. In view of Diem's skill in dealing with dissident elements over the past year, it will perhaps be wise to give him the benefit of the doubt during the pre-election period.

Economic Conditions

There has been little recent change in the economic picture in South Vietnam. Rice prices, which rose precipitously during the summer and fall due largely to poor distribution, have now returned to normal. A major program for resettlement in southwest Vietnam of up to 100,000 of the refugees from the north is now developing, with US and other foreign support. If successful, it would simultaneously reduce the problems of 1) the refugees, 2) increased agricultural production, and 3) internal security in rural areas.

International Aspects

The Chinese Communist request for a reconvening of the Geneva Conference broadened to include the International Control Commission members, probably indicates that the Communists will continue to drive for "reunification" of Vietnam by political and diplomatic means rather than by a resort to large-scale violence—at least until their proposal is definitively rejected. The Indians, as well as the Communist countries, will probably approve the call for a new conference. They apparently wish to see the ICC continue in operation, which would require the Vietnamese to assume some of the function assigned to the French by the 1954 agreements.

The French are likely to continue the withdrawal of their forces (now reduced to about 15,000) in South Vietnam, to avoid formal termination of its informal mission to the DRV headed by M. Sainteny, and—despite current opposition—may come to favor a new conference as a means of relief from their obligations under the 1954 agreements. The British have become increasingly reconciled to an extended partition of Vietnam, now have greater confidence in Diem's strength, and would prefer to avoid or at least postpone a new Geneva Conference. The British, however, still hope that Diem can be brought to accept some form of north-south consultation, even without prospect of success.

302. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, February 9, 1956—2:49 p.m.

2705. For Ambassador and Chief MAAG. Joint State–Defense message.

1. As result State–Defense discussion February 2[2] of deteriorating logistical situation Viet-Nam due rapid phase out French forces, Secretary of State decided February 3 that necessity protecting MDAP material assets creates extraordinary situation in respect our self-imposed restraints under Geneva Accords and directed we immediately explore with UK and Canada possibility sending in additional US military personnel on temporary basis solely for purpose recovering and preserving equipment now being lost due French withdrawal and lack Vietnamese logistical capability. (State fully aware that introduction additional US military personnel, regardless their mission, will be denounced by Communists and could be declared by ICC as violation Geneva.)

2. State and Defense have also agreed make démarche to French along lines paragraphs 3, 4, 5 Saigon 3130[3] on full implementation Ely–Collins Minute of Understanding as well as to continue exploration various other ways to permit Defense achieve its training and other objectives Viet-Nam despite continuing limitations on size of MAAG. Details relating plans for MAAG Viet-Nam approved by State and Defense will be further spelled out in subsequent messages for Country Team through Defense channels.

3. Prior to undertaking exploration with UK, Canadians, French this connection, your views requested priority[4] on whether case could be presented more effectively to these governments if following concept adopted with respect handling additional military personnel to be sent in for logistical purposes only rather than simply adding this personnel to MAAG.

4. Following concept devised State and Defense after consultations with MAAG plans officer presently Washington. Additional military logistical group would be limited to not more than 350, would remain in Viet-Nam for temporary period only, and might be known as "Temporary Equipment Recovery Mission" (TERM).

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[1] Source: Department of State, Central Files, 751G.5/2–956. Secret; Priority. Drafted by Kattenburg and cleared in PSA, FE, L, G, and with Defense (in substance). Sent also to CINCPAC; repeated for information to Paris, to London, and by pouch to Vientiane.

[2] See Document 299.

[3] For the substance of these three paragraphs, see the summary of Tab E (telegram 3130 from Saigon, February 2) in Document 298.

[4] See Document 304.

Group would operate under, though not as formal part of, MAAG Viet-Nam. It would be supplemented by approximately 1,000 Filipino and/or Japanese civilian technicians.

5. Message of instructions to Paris, London, Ottawa, Saigon will follow after Saigon reply this message received.

Dulles

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303. Memorandum From the Secretary of State to the President[1]

Washington, February 10, 1956.

SUBJECT

General Donovan's Letter of February 5 Concerning Elections in Vietnam.[2]

I am in agreement with the views in General Donovan's letter that elections in Vietnam should be deferred beyond the July date. His suggestion for the establishment of a new International Commission capable of insuring the necessary safeguards for free elections is under urgent consideration in the Department.

As you are aware, we reached agreement with the British in our recent talks that Chou En-lai's demand for a reconvocation of the 1954 Geneva Conference should be rejected and that at a minimum we should await the outcome of the elections which President Diem will hold in South Vietnam on March 4 before undertaking further action on the diplomatic front with respect to the future of Vietnam.[3]

Our policy in Vietnam is directed toward:

1) the continued strengthening of the position of Free Vietnam under President Diem;

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[1] Source: Eisenhower Library, Whitman File, Dulles–Herter Series. Secret. Drafted and initialed by Dulles and also initialed by Eisenhower indicating that he saw it. This memorandum was in response to a brief letter from Eisenhower to Dulles asking the Secretary for his views on the Donovan letter cited in footnote 2 below.

[2] In this letter, attached to the source text, retired General William J. Donovan, former Chief of the Office of Strategic Services, wrote to Eisenhower in his role as honorary Chairman of the American Friends of Vietnam, an organization which described itself as "a non-partisan group organized in support of a free and democratic Republic of Vietnam." Donovan asked Eisenhower to reject Chou En-lai's demand for a reconvocation of the Geneva Conference to implement provisions for elections in Vietnam in July 1956. Donovan urged that these elections be postponed until safeguards could be established under a new international supervising commission distinct from the ICC.

[3] See Documents 296 and 297.

2) the preservation of peace and security under some new arrangement which would permit gradual termination of the old Geneva Accords; and

3) the eventual weakening of North Vietnam by political and psychological warfare.

I expect to discuss the problem of elections and the Geneva agreement with President Diem when I visit Saigon on March 14[4] following the SEATO Conference at Karachi.[5]

JFD

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[4] For a report of Dulles' conversation with Diem on these topics, see Document 314.

[5] March 6–8; see Document 309.

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304. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, February 13, 1956—2 p.m.

3268. Reference: Deptel 2705 repeated Paris 2881, London 4471.[2] Joint Embassy–MAAG message. MAAG views.

1. MAAG sees two separate and distinct problems in protecting MDAP material assets: (1) processing Indo-China excesses; (2) preserving and instruction in use of equipment turned over to Vietnamese. Latter is much the greater and longer range problem. Best solution to (1) would be obtain effective French implementation of Collins–Ely minute of 1 December 1954. If French withdraw completely in near future estimate 232 US military supervisory personnel augmented by indigenous labor would be required solely to process Indo-China excesses. Best solution to (2) is to implement MAAG table distribution plan Y supplemented by 1000 foreign technicians. If plan Y personnel requirements cannot be met in full, deletion of about 319 US personnel would be acceptable from logistic viewpoint only. Total plan Y thus reduced is 740, only 48 above total of present organization and proposed temporary mission. This 740 does not include 232 which would be needed if French do not implement Ely–Collins minute. These solutions provide most effective use of limited personnel and are most economical. It should be understood the

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[1] Source: Department of State, Central Files, 751G.5/2–1356. Secret; Priority. Repeated for information to Paris, London, and Vientiane and passed to the Department of Defense and CINCPAC.

[2] Document 302.

above figures need be augmented in event French Air Force and Naval Missions are discontinued.

2. TERM is less desirable than augmentation of MAAG because of its temporary nature.

3. If French could fully implement Collins–Ely minute, MAAG estimates that after arrival of TERM personnel and technicians not less than 12 months would be required to overcome most critical deficiencies in Vietnamese logistics system. TERM, if established, should be established initially with this minimum time requirement in mind.

Embassy views.

4. Embassy believes that if reftel proposal is for temporary mission to remove excess MDAP equipment, it is ingenious idea which might well be acceptable to French, UK and Canadians. However, it is not clear to Embassy exactly what would be mission of proposed 350 man military logistic group. Paragraph 1 speaks of sending in additional US military personnel "solely for purpose recovering and preserving equipment now being lost due French withdrawal and lack VN logistical capability". MAAG interprets this to mean that group would have dual mission of (a) supervising recovery and outshipment of excess MDAP equipment and (b) assisting in improvement of VN logistical capabilities so as to preserve MDAP equipment now in hands of VN armed forces.[3]

It is also MAAG interpretation that 1000 Filipino and/or Japanese technicians mentioned in reftel would have sole function of increasing logistical capability of VN armed forces by giving on-the-job training to utilize and preserve their present equipment.

5. This interpretation placed somewhat in question by name suggested in paragraph 4 reftel for additional military group. "Temporary equipment recovery mission" (TERM) suggests recovery and not logistical training as mission of group.

6. If MAAG interpretation correct, even after arrival of TERM there would still remain need for approximately 1000 French troops or their equivalent to process excess MDAP equipment. In event of French failure to implement Ely–Collins minute, MAAG estimates that if 232 additional US military were assigned to supervise outshipment of excess MDAP, job could be done in about a year with help

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[3] In telegram 2790 to Saigon, February 15, the Department stated that the MAAG interpretation was correct. "State informed by Defense these two tasks inseparable. . . . Safeguarding U.S.-provided equipment also means showing Vietnamese how to maintain and protect it. Whether or not this has subsidiary effect increasing Vietnamese logistical capability (in itself desirable) essential purpose exercise is protect and preserve U.S. assets in matériel and equipment. . . . We agree your para 7 that, regardless mission intended for TERM, case should be presented to UK, Canadians and French as a mission for the recovery and maintenance of equipment. (Department of State, Central Files, 751G.5/2–1356)

of local Vietnamese labor (assuming proposed 1000 Filipino/Japanese techicians not assigned to this task).

7. Regardless of mission actually intended for TERM, it seems clear that case for sending in such a group would be more likely acceptance by UK, Canadians and French if it could be presented as solely an equipment recovery mission with a definite termination date. It is certainly arguable that a mission whose only purpose is to remove military equipment from Vietnam does not violate spirit of articles 16 and 17, which are aimed at preventing increase in military potential. Any indication that proposal included mission to increase logistical capabilities of VN armed forces—in other words, training—would weaken case. French may be expected to have opinion based on own experience as to number of personnel required to complete removal of excess equipment.

8. In order for second proposal to have chance of obtaining concurrence of ICC majority (Canadians and Indians), it would seem necessary for US to agree to provide full information about movements and activities of TERM personnel.

9. VN government would undoubtedly prefer Filipino to Japanese technicians but would probably be willing to accept Japanese if their numbers kept to minimum and it were clear that they were here under US, not Vietnamese auspices.

Reinhardt

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305. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, February 25, 1956—4:44 p.m.

2901. There follows text note Deputy Under Secretary February 25 handed French Ambassador with copies given separately UK and Canadian Ambassadors.

1. Inform Vietnamese Government of contents, indicating Department imparted gist orally to Ambassador Chuong February 24. Tell Vietnamese we will request their formal agreement to TERM mission after suitable period elapsed for receipt comments from Canadian, UK, and French Governments.

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[1] Source: Department of State, Central Files, 751G.5/2–2556. Secret; Priority. Drafted by Kattenburg and cleared by Young and Murphy and with Defense. Repeated for information priority to Paris, London, and Ottawa; repeated for information to New Delhi, Vientiane, and CINCPAC.

2. You may also tell Vietnamese your discretion size of TERM will be approximately 350 U.S. military personnel and that we thinking of period of approximately twelve months for duration of TERM. This information also given to French, UK, Canadian Ambassadors who were told in addition that U.S. planning hire 1000 Filipinos and/or Japanese civilian technicians to assist TERM mission in recovery maintenance equipment. French, UK, Canadian Ambassadors also told we have under serious consideration explaining purposes and size TERM mission to Indian Chairman ICC Saigon although we cannot undertake ourselves comply with possible control measures international commission may wish apply since U.S. not bound provisions Armistice agreement.

3. *Text of Note:* "The Department of State informs the Embassy of the French Republic that the rapid withdrawal of French forces from Viet-Nam in recent months has created a situation of extraordinary concern to the Government of the United States with respect to the recovery, maintenance, and protection of Mutual Defense Assistance Program equipment in Viet-Nam. Under the Ely- Collins Minute of Understanding of December 1, 1954, the French Government has carried out obligations for the return of equipment no longer required for the purposes for which originally made available. While this task is well under way, it is not yet completed. Furthermore, vast amounts of equipment which are about to be or have already been turned over by the French forces in Viet-Nam are not now being adequately maintained and protected. Under these conditions, the Government of the United States is threatened by the possibility of losing tens of millions of dollars worth of equipment.

In view of these facts, the Government of the United States now feels itself obliged to dispatch to Viet-Nam, subject to Vietnamese agreement, and for a temporary period, a small number of additional United States military technical personnel whose sole function will be to supervise the recovery and maintenance of Mutual Defense Assistance Program equipment in Viet-Nam. This personnel will operate as a group known as the 'Temporary Equipment Recovery Mission' (TERM) and will not form an immediate part of the United States Military Advisory Aid Group in Viet-Nam.

The Government of the United States continues to depend upon the assistance of the French Government in completing the implementation of the Ely–Collins Minute of Understanding of December 1, 1954. For this specific purpose, and subject to an agreement between France and Viet-Nam, the Government of the United States would appreciate it if the French Government would retain in Viet-Nam for another year approximately 1,000 French military personnel to continue to participate in the task of processing Mutual Defense Assistance Program equipment.

If the French Government can accede, subject to Vietnamese agreement, to the assignment of approximately 1,000 French military personnel in Viet-Nam for the aforementioned purpose, the Government of the United States would be prepared to ask the Vietnamese Government to request the French Government to retain a French Military Mission in Viet-Nam. This mission could include the French military personnel involved in equipment redistribution as well as that engaged in training the Vietnamese Air Force and Navy.

A reply on the part of the French Government to this note is requested on an urgent basis."

4. Re last sentence penultimate paragraph Note, French Ambassador questioned whether French training and equipment groups should not be separate rather than included mission. We replied US support continued French training Vietnamese navy and air force not conditional French assignment 1,000 equipment personnel and that organization retained French military elements Viet-Nam matter for Franco-Vietnamese negotiations, but that we under impression Vietnamese might prefer having all retained French elements in single mission, eliminating former FEC. We told French Ambassador we feel continued residual French military presence Viet-Nam needed for three main purposes from US point of view: continued training Vietnamese air force and navy, equipment redistribution, and if possible, continued assumption Geneva responsibilities on shared basis with Vietnamese and some degree continued servicing ICC.

5. Both Canadian, UK Ambassadors raised question possible conflict US action on TERM with Article 16 Geneva Agreement.[2] Murphy replied we consider contemplated mission vital to rescue our equipment and of non-military character although composed of military personnel because of impossibility, despite strong effort of US Government, to obtain on urgent basis civilian technicians capable performing this task. British Ambassador raised broader problem Geneva successor responsibilities and UK desire US explore possibilities with Diem soonest possible, and gave us copy Soviet comments to British re Chou En-lai Note. This will be subject subsequent message.

6. In explaining role, purpose, function TERM to Ambassadors Murphy stressed urgency problem deteriorating and unguarded equipment and concern Department if action not urgently taken along proposed lines highly embarrassing situation will arise for Department and Defense in relation Congress. Murphy also stressed our view TERM mission will not contribute growth military potential Viet-Nam but may have opposite effect since much excess equipment probably being outshipped. Emphasized US had clear title to property being returned by French under Ely–Collins Minute of Understanding. Canadian and UK Ambassadors agreed this good point to make in defending proposed US action.

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[2] Article 16 prohibited the introduction of additional military personnel into Vietnam.

7. All addressees use above information answer any queries this subject if raised by Governments concerned.

Dulles

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306. Editorial Note

On February 27, former Chief of the United States Military Assistance Advisory Group in Indochina, retired Lieutenant General John W. O'Daniel, met with Eisenhower and gave an informal report of the situation in Vietnam and in Indochina as a whole. According to a memorandum of conversation by Dulles of a discussion with the President later in the day, Eisenhower told the Secretary that O'Daniel had just given "a very refreshing account of conditions in Indochina, of United States prestige there, and the good progress made by Prime Minister Diem." Eisenhower suggested to Dulles that O'Daniel brief the Senate Foreign Relations Committee and the House Foreign Affairs Committee. (Department of State, Secretary's Memoranda of Conversation: Lot 64 D 199)

A brief of his talk with Eisenhower, which O'Daniel later provided the White House, is attached to a memorandum by Goodpaster, March 2. (Eisenhower Library, Whitman File) The brief, which was five pages long, provided an historical overview of events in Indochina since 1945. It contained two themes: (1) that the fighting in Vietnam was part of an international Communist conspiracy and (2) that Diem had been making steady progress under difficult conditions.

No account of O'Daniel's report to the Senate Foreign Relations Far East Subcommittee, February 28, has been found in Department of State files; but notes on his appearance before the House Foreign Affairs Far East and Pacific Subcommittee, February 29, are in a memorandum from Hoey to Kocher, March 2. (Department of State, Central Files, 751G.00/3–256)

307. Memorandum of a Conversation, Department of State, Washington, February 28, 1956[1]

SUBJECT

French Views on "TERM"

PARTICIPANTS

The Secretary
Couve de Murville, French Ambassador
Pierre Millet, French Minister
William Tyler—WE
Kenneth T. Young—PSA

The French Ambassador called on the Secretary this afternoon to hand him the attached French reply[2] to the U.S. Aide-Mémoire of February 25[3] on the same subject.

The Ambassador informed the Secretary that the French Foreign Minister would like to talk this subject over with the Secretary in Karachi. The Ambassador explained that the American request for additional military personnel would be very difficult for France to accept because in the French view it would mean a violation by the United States of the Geneva Accord and French acquiescence thereto if France agreed to this temporary military mission. The Ambassador also pointed out that the whole question of Viet-Nam is now an acute problem for France because of the Vietnamese demand for the withdrawal of French forces. France must adhere to this demand in the light of its commitments in Geneva in 1954. If the French forces are to be withdrawn from Viet-Nam it also means dissolution of the French High Command. The Ambassador said that France would not retain any responsibilities under the High Command if French forces are withdrawn. The Ambassador pointed out that the fundamental question is who will have responsibility under the Armistice in carrying out the Agreement? France does not desire this responsibility after the French High Command is dissolved. However, it might be possible for France to retain some responsibilities in Viet-Nam if that would not imply any large commitment under the Armistice.

The Secretary stated that the United States could not leave such a huge amount of equipment in such unprotected condition in Viet-Nam.

The Secretary also stated that the United States does not believe that a temporary group of technical personnel would violate the

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[1] Source: Department of State, Central Files, 751G.5/2–2856. Confidential. Drafted by Young.

[2] The French aide-mémoire, February 28, is attached to the source text in both original French and Department of State translation. It is summarized in this memorandum of conversation and is therefore not printed.

[3] The text of this note is contained in Document 305.

Cease-Fire Accord. He informed the Ambassador that he would obtain the views of the Defense Department on the French note so that he would be in a position to discuss this with Foreign Minister Pineau in Karachi.

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308. Editorial Note

On March 4, South Vietnam held elections for its National Constituent Assembly, the first task of which was to be the formulation of a new constitution for Vietnam based on a draft prepared by the Diem government. The results of the election were announced on March 8 as follows: National Revolutionary Movement 47 seats, Independents 39, Citizens Community 18, Movement for Freedom 11, and 5 small parties won a total of 8 seats. According to telegram 3655 from Saigon, March 8, it was the view of the Embassy in Saigon that party lines in the new assembly were likely to be subordinate to the overwhelmingly pro-Diem orientation of the body as a whole. Only 33 of the 123 seats were won by people who had run against candidates unofficially favored by the government. Consequently, the Embassy did not foresee much opposition to Diem's draft constitution. (Department of State, Central Files, 751G.00/3–856)

Further analysis and information on the elections and the preceding campaigns are in despatches 274, 284, 285, 306, 314, and 332, February 21, March 1, March 7, March 17, March 23, and April 9, respectively. (*Ibid.*, 751G.00/2–2156 to 751G.00/4–956) For despatch 314, see Document 316.

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309. Memorandum of a Conversation, French Embassy, Karachi, March 7, 1956, 1:30 p.m.[1]

USDel/MC/7

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[1] Source: Department of State, Secretary's Memoranda of Conversation: Lot 64 D 199. Secret. Drafted by Young. Pineau and Dulles and their respective staffs were in Karachi for the second SEATO Council Meeting, March 6–8. This memorandum of conversation was distributed on March 8; a marginal note on the source text indicates that it was approved by Dulles.

PARTICIPANTS

United States	*France*
The Secretary	Foreign Minister, Mr. Pineau
Mr. MacArthur	Mr. Daridan
Mr. Robertson	Mr. Roux
Mr. Allen	Mr. St. Mleux
Mr. Young	

SUBJECT

Various Issues in Europe, North Africa, Middle East, and Far East

[Here follow Pineau's remarks on Europe, North Africa, and the Middle East.]

With respect to Vietnam, Mr. Pineau also regretted that there was no common policy. There is the impression, perhaps a wrong one, that Diem is being encouraged in an anti-French policy. This is highly embarrassing to France. He admitted that the French Government had perhaps been wrong in not proposing a different solution than the policy of backing Diem. He also said that the French Government had been wrong in not being frank enough with the U.S. and Diem even after they agreed to support Diem. The net result has left France in an inferior position vis-à-vis the U.S. in Vietnam. Now the situation is becoming critical. Diem has not established a national union which he should have. The Vietminh can bring about an extremely dangerous situation by subversion.

Then there is another difficult situation caused by Diem's demand for the withdrawal of French troops. Although the Geneva Accords are contradictory, they do compel France to comply with such a demand. The French do not regret the withdrawal of French troops from Vietnam since they are needed in North Africa. However, the withdrawal does present the French with some difficult legal complications. If the troops are withdrawn that will mean abolition of the French High Command. Then it will be difficult for France to carry out its obligations under the Geneva Accords.

Another problem in Vietnam arises out of the presence of a considerable amount of American military matériel. Mr. Pineau supposed that most of this had been turned over to the Vietnamese as this was the American desire, but he did not know what the Vietnamese had done with it. In any event, he said that the U.S. ought to have control over this matériel and see to its upkeep. Unfortunately, the sending of U.S. military personnel seemed to be contrary to the Geneva Accords. That left only two ways of meeting the problem. The U.S. could send civilian personnel or Diem could ask to retain French military personnel to control this equipment.

Mr. Pineau said that he had had a talk with Selwyn Lloyd who told him of the proposed meeting of the co-chairmen.[2] Pineau remarked that such a meeting would be useful.

Mr. Pineau brought up the French mission in North Vietnam. He said that his government wished to maintain a cultural and economic mission there under Mr. Sainteney. By the same token, the Vietnamese want to establish a mission in Paris which, in fact, they already have there.

As to Communist China, Mr. Pineau stated that the position of the Socialist Party is to recognize the Communist regime. However, the present French Government have firmly decided against taking any action under present circumstances. France would have only a commercial mission in Peiping which would be limited to commercial matters and have no diplomatic status. If the Chinese Communists wanted to, they might send a small commercial mission to Paris. Mr. Pineau said that the question of trade with Communist China was in a different category than recognition.

[Here follow Dulles' remarks on Europe, North Africa, and the Near East.]

Turning to the Far East, the Secretary said that he would see President Diem in Saigon to urge him to adopt a more conciliatory attitude towards the International Control Commission and to favor nationwide elections on the basis of genuinely free conditions. The Secretary thought that on a psychological basis, it would be wise for Diem to come out strongly in favor of free elections. The Secretary pointed out that there was no more than a remote likelihood that free elections would ever be accepted in North Vietnam. In any event, we should not press Diem to hold elections unless and until conditions existed which would insure that elections would in reality be free. Mr. Pineau indicated his full agreement.

Regarding U.S. military equipment in Vietnam covered by the Ely–Collins Agreement, the Secretary explained that the United States attaches great importance to examining this equipment, determining its condition, and salvaging as much as possible. He said that it might amount to as much as five hundred million dollars' worth of matériel, although this might be an exaggeration. The United States believed it would be consistent with the armistice to send 350 military personnel on a temporary basis in civilian clothes. They would work under Department of Defense. Their job would be to make an inventory of this equipment and save it from being exposed to the weather and other conditions. The Vietnamese have no facilities for controlling this equipment which they can use. Moreover, the United States is under some pressure to send the types of matériel which may already be in Vietnam. The Secretary also emphasized that the United States is entitled to do this under the agreement with the French. It seems consistent with the cease-fire accord so long as the United States is not adding to the fighting strength in Vietnam. The Secretary said he expected to discuss this with Nehru[3] and hoped to satisfy him that it would be consistent with the armistice. Unless Nehru takes a strong stand, the Secretary indicated the United States would proceed with the recovery mission. He expressed the hope that the French would help us. However if Nehru should strongly oppose this project, then the United States would have to reconsider what line to take.

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[2] On February 25, the British Ambassador in Saigon handed an aide-mémoire to U.S. Embassy officials asking for U.S. views on an Indian proposal that the cochairmen of the Geneva Conference discuss the situation in Vietnam, as an alternative to the demand of the People's Republic of China, supported by the Democratic Republic of Vietnam and the Soviet Union, for reconvocation of the Geneva Conference. The British suggested that the mid-April 1956 visit of Soviet leaders to Great Britain would provide a convenient time for such a meeting. The Department of State was not opposed to such a meeting, which it considered "vastly preferable" to a conference. (Telegram 2914 from Saigon, February 27; *ibid.*, Central Files, 751G.00/2–2456) Text of the U.K. aide-mémoire is *ibid.*, 751G.00/2–2556.

Concerning the training of Vietnamese forces, the Secretary told Mr. Pineau that the United States would consider it a contribution to the common cause if France would maintain training personnel for the Vietnamese air force and navy (220 and 70 men, respectively). French instructors are necessary in view of the severe limitation of approximately 342 American instructors. If the French trainers are removed and can not be replaced by Americans, there would be a serious loss in the Vietnamese military build-up.

Regarding the responsibilities for carrying out the armistice, the Secretary said that the cease-fire accords were loosely drawn and constitute an incoherent area. Vietnam has the right to request French withdrawal, but France and not Vietnam has the responsibility for executing the accord. Pineau replied that if the United States desires to have French military personnel remain in Vietnam, then Diem must request it from France since it is not up to the United States. The Secretary agreed. Mr. Pineau also pointed out the French view that there has developed in Vietnam an atmosphere so hostile to the French that it is almost impossible for them to stay on. As illustration he said that General Jacquot had been arrested and "nearly assassinated" in Saigon by a Vietnamese army patrol a few days ago. This underlined the necessity for Diem to request the French to stay and to make it possible.

Mr. Robertson explained that of some billion two hundred million worth of equipment, about five hundred million has been turned over to the Vietnamese. Much of it is lying out in open spaces. It includes quantities of spare parts needed by the Vietnamese. As a result of the sudden and rapid withdrawal of the French forces, this equipment had been turned over to the Vietnamese without inventory—nobody knows how much. In order to continue the Ely–Collins Agreement, 1,000 French personnel would be needed in addition to 350 Americans. The job of recovery and control would probably take from 6 to 12 months.

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[3] See Document 311.

[Here follow Dulles' remarks on China.]

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310. Memorandum of Discussion at the 279th Meeting of the National Security Council, Washington, March 8, 1956[1]

Present at the 279th meeting of the Council were the following: The President of the United States, presiding; the Vice President of the United States; the Acting Secretary of State; the Acting Secretary of Defense; and the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Attorney General (for Items 1 and 2); the Special Assistant to the President for Disarmament; the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission; the Director, Federal Bureau of Investigation; the Director, U.S. Information Agency; the Chairman, Interdepartmental Committee on Internal Security (for Items 1 and 2); the Deputy Director, Bureau of the Budget; General Thomas D. White for the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; Special Assistants to the President Anderson and Jackson; the Special Counsel to the President (for Item 1); the Deputy Assistant to the President; the NSC Representative on Internal Security (for Items 1 and 2); the White House Staff Secretary; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the main points taken.

[Here follows discussion of items 1. "Communist Activities in the U.S.", 2. "Reappraisal of U.S. Policy Regarding Soviet Shipments Afforded Diplomatic Immunity", and 3. "Significant World Developments Affecting U.S. Security".]

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[1] Source: Eisenhower Library, Whitman File, NSC Records. Top Secret. Drafted by Gleason on March 9.

4. *United States Objectives and Courses of Action With Respect to Southeast Asia* (NSC 5405; Progress Report, dated December 21, 1955, by OCB on NSC 5405[2])

After Mr. Anderson had briefed the Council on the highlights of the subject Progress Report, Secretary Hoover requested permission to point up more recent developments since the cut-off date of the Progress Report. Before doing so, he stated that our present policies with respect to Southeast Asia needed to be brought up to date, though many of them remain generally valid. Moreover, he pointed out, the news from Southeast Asia was by no means all bad.

Secretary Hoover then commented on the closing of the U.S. Consulate at Hanoi on December 11, 1955. He referred to the happy results of the recent election in Free Vietnam, which had resulted in strong support of Prime Minister Diem's government. It was estimated that 83% of those eligible to vote had actually voted. This was very heartening in view of the threats made by the Vietminh to disrupt this election. It was also pointed out that General O'Daniel was just back from Vietnam, and reported the situation there to be very encouraging.

Secretary Hoover then said he would like to review with the Council the proposals which will be presented to Congress in connection with the request for appropriations for assistance to the several countries of Southeast Asia. We would be asking for an increase in funds earmarked for Vietnam. About the same amount as for the present fiscal year would be requested for Laos. There would be a slight increase in funds requested for Cambodia, and a marked increase in requests for assistance to Thailand. Whereas the total amount requested for assistance to these countries for the FY 1956 programs had amounted to $386 million, we would be asking for $491 million for the programs for FY 1957. Secretary Hoover concluded with the expressed judgment that within the above programming the Administration was doing everything possible that could be done to achieve the objectives of the United States in the area of Southeast Asia. He furthermore predicted an interesting report when the Secretary of State returned from his current trip to the Far East.

The President inquired as to the date of the return of Secretary Dulles. Secretary Hoover replied that he would return about March 22. The President said he was glad to hear this. He had had a recent request that the subject of the Bricker Amendment in its latest version should be the subject of discussion at a Congressional leaders meeting at The White House in the immediate future.[3] He had preferred to wait until the Secretary of State got back. Meanwhile, said the President, he wished to heck he could get the whole Bricker Amendment blown to kingdom come.

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[2] Not printed. (Department of State, S/S-NSC Files: Lot 63 D 351, NSC 5405 Series)

Governor Brucker, the Acting Secretary of Defense, then referred to the desire of the Defense Department to augment the size of the Military Assistance Advisory Group in Vietnam. Secretary Hoover replied that he sympathized with this objective, and that the State Department had been working very hard to achieve it. Unfortunately this was a complex and difficult problem. The President interrupted to say, let's keep pegging at it, and Secretary Hoover went on to say that even the sending in of U.S. forces to constitute salvage teams to bring back U.S. military equipment no longer useful in Free Vietnam, had been protested by the British, the French, the Indians, and the Canadians. All of them thought that such a move would constitute a provocation under the terms of the Geneva Armistice Agreement.

Secretary Brucker again pointed out that U.S. equipment to the value of between $50 million and $75 million was going unused in Vietnam. It would be very desirable if we could get this equipment back home through an increase in the size of our MAAG. The President asked whether we could not get even the British and Canadians to let us go in and salvage our own military matériel.

Secretary Hoover replied by stating his belief that such a move would be possible only if the U.S. personnel sent in to salvage the matériel were civilians. The British strongly objected to any increase in U.S. uniformed personnel in the present circumstances. After further discussion, the President suggested that Secretary Brucker investigate the possibility of salvaging this matériel by recourse to civilian contract arrangements.

The National Security Council:[4]

a. Noted and discussed the reference Progress Report on the subject by the Operations Coordinating Board, and a supplementary statement by the Acting Secretary of State on recent developments and on the proposed Fiscal Year 1957 foreign assistance program for this area.

b. Directed the NSC Planning Board to prepare a revised statement of policy on Southeast Asia, bringing existing policies up to date on both a regional and country basis.

c. Noted the President's request that the Department of Defense investigate the feasibility of salvaging U.S. equipment in Free Vietnam through means of civilian contract arrangements.

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[3] For documentation on the issue, see *Foreign Relations*, 1952–1954, vol. I, Part 2, pp. 1768 ff.

[4] The following paragraphs and note constitute NSC Action No. 1526, the record copy of which is in Department of State, S/S–NSC (Miscellaneous) Files: Lot 66 D 95.

Note: The action in c above, as approved by the President, subsequently transmitted to the Secretary of Defense.

[Here follows discussion of item 5. "FY 1957 MDAP Objective for Thailand."]

S. Everett Gleason

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311. Telegram From the Secretary of State to the Department of State[1]

New Delhi, March 10, 1956—11 p.m.

Secto 40. Vietnam.

(a) Secretary brought up matter of operation to salvage our equipment in South Vietnam. Nehru made notes but did not indicate position. Secretary expressed it as something we planned to do and hoped it would have approval of Indian Government and its representatives on ICC. Secretary gathers Nehru may communicate with us later.

(b) They also discussed in general position of ICC. Nehru said he concerned at attitude of Diem; that he thought Diem, having inherited French position, took it with all the liabilities including armistice obligations. Secretary said he did not think principle of inheritance applied this way since Diem had explicitly said he did not and would not accept armistice agreement. Nehru said that position of Commission becoming very difficult. He concerned in Laos balance of violation was against the Pathet-Laos, but said in Vietnam it was the other way. Secretary said he felt this not so; that while there might be few minor violations in south, there tremendous military build up in north contrary to armistice agreement.

Dulles

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[1] Source: Department of State, Central Files, 751G.00/3–1056. Secret. Repeated for information to Saigon. Dulles was in New Delhi March 9 and 10 as part of his trip to nine Asian countries following the SEATO Council Meeting in Karachi. (Princeton Library, Dulles Papers, Dulles' Appointment Book)

A report of these Dulles–Nehru discussions in the form of a memorandum of conversation, March 10, is in Department of State, Secretary's Memoranda of Conversation: Lot 64 D 199.

Briefing material for the Secretary's discussions is *ibid.*, FE Conference Files: Lot 60 D 514, Post-SEATO Trip, 1956.

312. Telegram From the Ambassador in India (Cooper) to the Embassy in Vietnam[1]

New Delhi, March 13, 1956—8 p.m.

48. Saigon for Secretary State.

Desai[2] told me today that Nehru had referred to him issue of TERM, after Secretary State's talk with Nehru this subject.[3]

Desai made following points:

1. GOI on basis of information available did not consider operation inconsistent with Geneva Agreement, if its purpose was to reduce volume armament.
2. Operations should take place under supervision or with cognizance of ICC, and not outside its jurisdiction. Within this principle, there was precedent for introduction of personnel for limited time and purpose, in that ChiCom group had entered North Vietnam for short time, after giving notice to ICC.
3. United States Ambassador Saigon should ask French as recipients of armament to notify ICC of term, purposes, number of personnel, approximate dates entry and exit.
4. ICC would perform following functions:

    (a) *As to personnel.*

    Check on entry and exit.

    (b) *As to equipment.*

    ICC should be notified as to exit dates and inventory of equipment. ICC would have no reason to inspect equipment in exit against inventories, except in case of equipment which was to be replaced.

Desai noted that Polish member would probably question operation but he repeated there was precedent. He also said Polish might want to check all equipment in exit, but he would be overruled except as to that to be replaced. He noted that United States might not want Polish to know of entry and exit personnel and exit equipment, but stated that recognition should be given to ICC responsibilities.

Cooper

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[1] Source: Department of State, Central Files, 751G.00/3–1356. Secret; Priority. Repeated for information to the Department, London, Ottawa, and Paris. The source text is the copy sent to the Department of State.

[2] Manilal Jagdish Desai, Indian Secretary for Commonwealth Relations and former Chairman of the ICC.

[3] See *supra*.

313. Telegram From the Secretary of State to the Department of State[1]

Manila, March 15, 1956—5 p.m.

Dulte 29. Eyes only Acting Secretary from Secretary for President.

Dear Mr. President:

I leave Saigon greatly impressed by the immense improvement which has occurred over the past year. The sect armies which seemed to constitute an almost insurmountable obstacle have been almost wholly liquidated and what remains is a mopping-up operation. The elections were healthy and will bring touch of opposition into the open which is good. Diem has increased self-confidence and his stature has grown. Stubbornness and reluctance to delegate authority still remain, but Ambassador Reinhardt is free to admit in the past his stubbornness has usually justified itself.

Considerable problems remain as the French complete their withdrawal and the French armistice undertakings are left hanging in the air. Their solution is complicated by continuing distrust and prejudice between the French and Vietnamese, stemming from old colonial relationship. However, I believe I persuaded Diem to make a constructive and responsible statement as to his attitude toward the armistice.

This visit with Diem repeating my visit of last year has consolidated our personal relations. He feels grateful for the confidence which I expressed in him a year ago which he says helped to carry him through this difficult year.

There is in Vietnam as last year tremendous interest and confidence in you and gratification at your recovery.

Faithfully yours, Foster.

Dulles

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[1] Source: Department of State, Central Files, 110.11-DU/3-1556. Secret. Dulles was in Saigon on March 14 as part of his post-Karachi Asian tour. He left Saigon for Manila on the morning of March 15 and sent this telegram from there. A marginal note on a copy of this telegram in Eisenhower Library, Whitman File, Dulles–Herter Series, in Eisenhower's hand indicates that he saw this cable and directed that it be filed.

314. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, March 15, 1956—9 p.m.

3759. Tokyo USDel[2] for Macomber.

1. Secretary had two-hour discussion with President Diem March 14, covering many matters. MacArthur, Robertson, Young, Mau, and Chau[3] also present. Diem who seemed confident and reposed gave brief summary of Vietnamese situation in encouraging terms and with expression of great appreciation for U.S. support and assistance. Secretary described highlights SEATO meeting, his talks Karachi and visits en route. He suggested discussion of French training mission, Vietnamese attitude toward armistice and ICC, and July election problem.

2. On training, Secretary stressed he had no opinion on solution Franco-Vietnamese military problem, preferring to leave details to technical and military people, but spoke in general on probable need for some French instructors for air and navy services. He said US Government attitude would be to go along with Vietnam on this issue as it seemed raise emotional factors. Diem replied Vietnam envisaged retention some French personnel but pointed out French had been delaying negotiations. He said they had indicated they would withdraw all FEC by March and balance military personnel by June. He expressed concern French delay in turning over military buildings, camps, etc., for Vietnamese use. Whenever conversation touched on French, Diem launched into bitter criticism of their behavior using many illustrations. In his opinion, retention of French military personnel depends on their changing their "bad attitude". Secretary informed Diem that Pineau said in Karachi French would keep trainers if requested by Vietnam. There was some discussion of problem posed by unprocessed MDAP matériel. Diem indicated he would accept French and US personnel for this purpose.

3. Armistice question was described by Secretary as most important of issues to be discussed. In order to forestall new Geneva conference, which US and UK did not want and to assist British in talks with Russians, he suggested primary concern should be to find formula by which Vietnam could give some indications of practical compliance with armistice. Secretary also pointed out Vietnam had

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[1] Source: Department of State, Central Files, 110.11–DU/3–1556. Secret. Repeated for information to Paris, New Delhi, London, Ottawa, and Tokyo.

[2] The reference is to the delegation to the forthcoming meeting of the U.S. Chiefs of Mission in the Far East at Tokyo, March 19–21, under the chairmanship of Robertson and attended by Dulles. For the text of the communiqué issued after the final session, see Department of State *Bulletin*, April 2, 1956, pp. 543–544.

[3] Nguyen Huu Chau, Minister of State.

duty to friends to make known its intentions before co-chairmen talks in London.[3] Later summarizing views of Lloyd and Nehru, he urged Diem give sympathetic consideration to something along lines of suggested British declaration.[4] Diem stated Vietnam is and would continue in fact to cooperate with ICC to keep the peace and that Vietnam had no intention resort to force; permit establishment foreign bases, or enter military alliances. Secretary cautioned Diem against assuming commitments for indefinite period, pointing out Vietnam might wish to enter SEATO later although it not feasible now. Diem referred to ICC as a safeguard for Vietnam. He acknowledged correctness of UK Ambassador Stephenson's view that a declaration on part Vietnam would facilitate status quo but did not commit himself any further at this point.

4. As to all-Vietnam elections, Secretary stated time would come when it would be useful for Vietnam to take positive stand on principle of free elections. This would entail no danger to Vietnam since free elections could never take place in Communist-dominated territories. Such a declaration by Diem on free elections would be helpful to Vietnam and its friends. Secretary cited examples "Germany and ROK which had profited by such stand". Diem did not reject suggestion. He stated Viet Minh would never respect results of elections where majority voted for free Vietnam. An index of Viet Minh good faith would be their establishment of enclaves where people in north would be permitted freely to take refuge in order eventually move south.

5. At conclusion Diem brought up necessity increase armed forces and garde civile. He also said assistance would be needed for civic action program. Chau then cited increasing fiscal requirements and estimated Vietnamese overall needs at about 300–350 hundred million dollars US aid. Secretary suggested this subject be taken up with Embassy.

6. After dinner Secretary emphasized to Diem great importance his making declaration on armistice. Diem categorically assured Secretary he would make one and that government was working on text which they would discuss with me. Secretary also emphasized to Diem that Vietnam, though small, had now joined family of nations

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[3] See footnote 2, Document 309.

[4] In telegram 3612 from Saigon, March 7, the Embassy sent a summary of a suggested declaration which the British wanted Diem to make. It was along the following lines: While not bound by the Geneva Agreements, South Vietnam would declare its intention of respecting the existing cease-fire, of cooperating with the ICC, of not seeking unification of Vietnam by force but rather looking to the day when conditions in the North would permit genuinely free elections, and of avoiding military alliances or foreign military bases on Vietnam's soil. (Department of State, Central Files, 751G.00/3–656)

and must accept related international responsibilities. Vietnam could exercise much influence in free world.

Reinhardt

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315. Telegram From the Chargé in Vietnam (Anderson) to the Department of State[1]

Saigon, March 17, 1956—4 p.m.

3792. Tokyo pass Ambassador Reinhardt.[2]

1. Accompanied Young when he called on Diem March 16. Long conversation during which President reviewed internal and economic situation. Following up his comments to the Secretary on the need to increase the armed forces and garde civile (Embtel 3759 March 15, paragraph 5[3]) Diem referred specifically to the weakness of the navy and his desire to increase the garde civile by 15 to 20,000 (above the 40,000 programmed for fiscal year 1957).

2. In the economic sphere the President emphasized his fear that the Viet Minh would use the increased cost of living to promote strikes that might bring on a vicious spiral of wage increases. Such a development would in turn cause discontent in the armed forces because of their relatively low pay.

3. Regarding proposed declaration on armistice and ICC, Diem said that Chau had briefed him on conversation with Reinhardt and Young afternoon March 15 (Embtel 3767 March 16[4]). Diem's principal comment was to the effect that Vietnam should not undertake long-term formal commitments and that any declaration would have to be drafted with that in mind. (Note that this is in line with Secretary's caveat to Diem—Embtel 3759 paragraph 3.) Young pointed out problem was a practical rather than juridical one and expressed hope Vietnamese would take the initiative with the French on this. He said that Vietnam's international standing would be strengthened and the Communists perhaps put on the defensive if the Vietnamese Government would work out a satisfactory formula. Diem seemed to accept this point of view, stating that the whole question was a matter of "prudence".

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[1] Source: Department of State, Central Files, 751G.00/3-1756. Secret. Repeated for information to Paris, London, New Delhi, Ottawa, and Tokyo.

[2] Reinhardt was at the Far East Chiefs of Mission meeting in Tokyo.

[3] *Supra.*

[4] In this telegram Reinhardt reported that he and Young had discussed with Chau the language of a possible public declaration by Vietnam on the armistice. (Department of State, Central Files, 751G.00/3-1656)

4. Young referred to Secretary's view on the desirability of a statement regarding Vietnamese support for genuine free elections. Diem mentioned that the idea was contained in the suggested declaration. However, he then spent several minutes outlining how such a statement might confuse and upset the people in Vietnam and perhaps lead them to believe the Viet Minh were playing predominant role here. In fact, he seemed cool to the idea of a statement on free elections.

5. It will be recalled that various public bodies, political parties, and the [garble] have recently expressed firm opposition to Geneva agreement (Weekas 10 and 11[5]). This indicates Diem anxious to reassure his countrymen that he is not considering any dealings with the Viet Minh—though French are expanding theirs—before symbolic July date for general elections.

Anderson

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[5] Dated March 10 and 17, neither printed. (*Ibid.*, 751G.00(W)/3–1056 and 751G.00(W)/3–1756)

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316. Despatch From the Chargé in Vietnam (Anderson) to the Department of State[1]

No. 314 *Saigon, March 23, 1956.*

REF

Embdesp 274 of Feb 21 and 306 of March 17, 1956[2]

SUBJECT

Vietnamese Elections: The Political Campaigns

In the two despatches under reference the Embassy had discussed the methods used by the Vietnamese Government to bring about the greatest possible public participation in the March 4 elections to the National Assembly, the scope of these activities, and some of their potential effects on the outcome of the voting. This despatch will treat solely with some general aspects of the political campaigns of the candidates and their parties as influenced by the electoral regulations and the implementation thereof.

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[1] Source: Department of State, Central Files, 751G.00/3-2356. Confidential. Drafted by Robert E. Barbour, Second Secretary of Embassy.

[2] Both cited in Document 308.

The official Election Propaganda Committees described in Embassy despatch No. 306 of March 19 [*17*], 1956, which had as their function the execution of the government's "get out the vote" drive have been confused in foreign press reports with the Candidates' Campaign Committees, which, as their name indicates, were charged in each constituency with the conduct of the political campaigns of the approximately 405 candidates. Under the provisions of Ordinance 9 of January 23, 1956, these committees were composed of a representative of each political party running candidates and a representative of all independent candidates per district. The committees' responsibilities included the selection and printing of posters; the determination of places where they might be displayed; the regulation of the number, size, and types of handbills to be distributed; the organization of public meetings; the apportionment of sound truck and radio time where such facilities exist, etc.

In order to insure equal treatment for all candidates, the electoral laws forbade the use of private funds or materials and provided instead that campaign expenses should be paid out of the national budget on the basis of one piaster per voter. While this appears to have been an honest attempt to insure fairness, the result was that the apportionment of funds (i.e., materials) was completely divorced from any relationship to the amount of campaigning that needed to be done or the size of the opposition to overcome, for it is obvious that in two constituencies of equal size a candidate with only one opponent would receive five times as much in the way of supplies as one opposed by nine others. Since the average number of contenders per district was somewhat larger in Saigon than elsewhere, the per capita expenditure per candidate was also lower and ranged from a low of .083 piasters (U.S. $0.0237) in Ward 6 (45,902 voters, 12 candidates) to a high of .25 piasters (U.S. $0.0714) in Ward 5 (36,614 voters, 4 candidates).

It must be admitted, however, that the electoral laws did remove almost all question of private means from the campaigns. Furthermore, since the required deposit of 2,000 P would be forfeited only by those who received less than 5% of the votes cast in their district, the element of financial risk was quite small.

By American standards the campaigns themselves were exceedingly dull. Slated to begin on February 20 for a twelve day period, no activity was noticeable in Saigon until February 25, although the local press had carried a few pictures and biographic notices before that date. Even during the few days that marked the peak of political activities, the most visible and audible signs that an election was about to take place were those which constituted part of the government's propaganda drive (Embassy's despatch 306 of March 17). Such attempts as there were by candidates to make themselves seen or heard seemed by comparison to be unimportant, and the public remained largely uninterested. The political campaigns themselves consisted of the display of posters; the distribution of handbills; publication of pictures, biographies, and programs of action, if any, in the newspapers; attendance and talks at meetings; personal house to house calls; and a limited number of radio speeches. Forbidden were entertainments, promises, favors such as transportation on election day, threats, bribery, and coercion.

Although the campaign regulations as set forth in the electoral laws claimed a basis of complete equality for all candidates, in actual practice those who were unofficially favored by the Vietnamese government, its party, the National Revolutionary Movement, or any of the latter's affiliates, had many advantages. For example, when it came to the printing and distribution of posters and documents, a candidate whom the government or the NRM did not want to win might find that his posters were the last to be printed and therefore might not be available until just before the election. Or, once posted, they might be torn down by "goon squads", as occasionally happened. As will be seen below, there were other ways by which special advantages went to preferred individuals.

The use of press facilities for the exposition of platforms, etc., was not covered in the electoral ordinances, and they were by no means shared equally. It is estimated that of the 400-odd candidates, less than 100 received any mention at all—incidental, derogatory, or otherwise, and the number of those who actually had their pictures, programs, and biographies printed probably did not exceed 50. Of this number the most prominent figures, i.e., Mr. and Mrs. Ngo Dinh Nhu; [name and title deleted]; Delegate for South Vietnam Tran Van Lam; Secretary of Youth and Information Tran Chanh Thanh, etc., appeared repeatedly in most papers.

Press treatment of the political campaigns was allegedly facilitated by the suspension on February 20 of censorship controls over the Vietnamese press then in existence. However, this relaxation was more than counteracted by the signature of a new decree that same day providing heavy penalties for the "distribution or reproduction by any means whatsoever of tendentious news or commentaries favorable to communist or anti-national activities". Being more invidious, the new law was effective in making journalists much more careful about what they printed than had been the case under censorship, where responsibility for the deletion of contentious points rested with the censors. It is little surprising, then, that the role of the press in the electoral campaigns was a noncontroversial one.

Like the newspaper columns, public rallies were used to bring candidates before their constituencies. At such meetings all candidates were assembled together and each in turn was given an opportunity to outline "his biography, his political past, and his course of action" and to answer such questions as might be posed. In many cases the speakers took occasion to praise their opponents, especially if they included a well known figure, and all candidates were dutifully and politely applauded. As an example of the effectiveness of such gatherings might be cited one that took place in Saigon, where, before an audience composed almost entirely of government workers, Mr. Nguyen Huu Chau, Secretary of State at the Presidency, spoke for some forty-five minutes—longer than all other speakers combined. In the next day's official *Vietnam Presse* he received a page and a half as against the brief paragraph allotted all his opponents.

Radio (in the form of the Vietnamese National Broadcasting Company) was also used as a campaign medium, but the limited facilities permitted only a small number of candidates to make use of them. Sound trucks and public address devices were also sometimes available, but most of them were taken up by the Ministry of Information's own election-boosting efforts.

The only field left to individual initiative and energy was "doorbell ringing". So long as one did not violate the electoral regulations, he or his supporters could visit as many households and talk to as many voters as desired.

Comment: From the foregoing it will be seen that the recently concluded political campaigns in Vietnam were quite unfamiliar to observers acquainted with current American practices. It is equally clear that the effect of the regulations on the campaigns was to reduce the importance of individual efforts. The brief campaign period, further curtailed by a late start, the unrealistic basis for the apportionment of funds and materials, the restrictions on personal activities, and the limited public forums available all tended to decrease the effect of each personal campaign and to give an advantage to well known candidates or to those with an organized political following. All of this, of course, at the expense of really independent or relatively unknown contenders.

This effect was heightened by the mildness of the campaigns themselves. Despite the fact that the elections were for a Constituent Assembly, the forthcoming constitution was rarely mentioned. In an atmosphere of almost complete lack of issues, platforms varied from wholehearted support of the Diem Government to no platform at all, as was the case in one Saigon district where the individual confessed that he was only running because his friends persuaded him to. Indeed, a large number of candidates filed for office in order to withdraw at the last minute and throw their support to a colleague. Most programs were almost completely and mutually identical in major points: anti-communist; anti-colonialist; and pro-Diem. Candidates promised to work for the good of the country, for national reconstruction, for democracy, etc. (See Embassy despatch 284 of March 1.[3]) Had any possible contentious points been contained in the programs submitted to the campaign committees, it is probable that either the authors would have been disqualified or the undesirable points deleted. The lack of issues prevented unwanted criticism of official policies or prominent figures, i.e., government officials or those close to the official family, and thereby limited the stature of their opponents.

Considering, then, the care with which candidates were screened in the first place (Embassy despatch No. 285 of March 1[4]) and the campaign regulations and procedures that tended to favor those most closely associated with or in the favor of the government and its political organizations, it is not surprising that a substantial majority of well known Diem supporters was elected to the National Assembly.

Action requested: Department may wish to pass copies of this despatch to London, Paris, Ottawa, New Delhi, and Phnom Penh.

Daniel V. Anderson

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[3] Cited *ibid.*

[4] Cited *ibid.*

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317. Memorandum From the Deputy Assistant Secretary of State for Far Eastern Affairs (Sebald) to the Secretary of State[1]

Washington, March 23, 1956.

SUBJECT

Despatch of "Temporary Equipment Recovery Mission" to Vietnam

1. After your talk with Nehru on TERM,[2] the GOI informed our Delhi Embassy[3] that on the basis of the information they had available they would not consider our proposed operation inconsistent with the Geneva Agreement if its purpose was to reduce the volume of armament in South Viet-Nam.

2. The GOI indicated that the operation should take place under supervision or with the cognizance of the ICC. We should have the

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[1] Source: Department of State, Central Files, 751G.5–MSP/3–2356. Secret. Drafted by Kattenburg with concurrences by Defense and PSA (in draft) and by SOA, WE, L, C, and G.

[2] See Document 311.

[3] See Document 312.

French (as liaison with the ICC) notify ICC of the dates of entry and exit of personnel and of the exit dates and inventory of equipment; ICC would then exercise the necessary controls. Within this principle, there was precedent for the introduction of personnel for a limited time and purpose, in that a Communist Chinese group had entered North Viet-Nam for a short time after giving notice to the ICC.

3. The Department and the Embassy at Saigon consider the initial Indian reaction far more flexible than anticipated. The Department believes that if the establishment of TERM satisfies the minimum personnel objectives of our Defense Department in Viet-Nam, the notification and supervisory procedures indicated by the GOI may be acceptable, even though our compliance might establish a present practical ceiling for TERM (350). Our compliance would also almost certainly have the effect of encouraging ICC to insist on receiving notification of the movements of MAAG as well as TERM personnel. In this respect, we have already indicated to the French and Canadians that we have no objections to the French and/or Vietnamese notifying the ICC of the entry and exit of U.S. MAAG personnel on the basis of information available to them from their own resources.

4. The Defense Department's understanding is that the function of TERM pertains both to supervising recovery and outshipment of excess MDAP equipment and to assistance in improvement of Vietnamese logistical capabilities so as to preserve the equipment now in the hands of Viet-Nam armed forces. Subject to this understanding, and assuming the retention in Viet-Nam of 1,000 French military technicians for equipment redistribution and of certain French naval and air training and maintenance personnel, the establishment of TERM would satisfy the Defense minimum personnel objectives for Viet-Nam, at least for the immediate future. Under those circumstances Defense would agree with State that ICC notification and supervisory procedures would be acceptable for TERM personnel.

Recommendations

1. a. That we provide the Government of India with any additional information on TERM that may be required and continue to request their support for the operation.

b. That we inform the Government of India that we will authorize the French and/or Vietnamese to supply the required notifications to the ICC and that we will cooperate in supplying relevant information.

2. That you approve the despatch of a "Temporary Equipment Recovery Mission" in uniform[4] to Viet-Nam under the understanding described in para 4 above, and that you authorize us to notify the Defense Department immediately to that effect.

3. That we inform the French, Canadian, British and Vietnamese governments of our decision to proceed, expose the Indian government's point of view fully to these governments, and continue to request their support.

Approve: J[OHN] F. D[ULLES]

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[4] Dulles in his own hand deleted the words "in uniform" and wrote in the substitute language, "in civilian clothes".

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318. Memorandum From the Deputy Assistant Secretary of State for Far Eastern Affairs (Sebald) to the Secretary of State[1]

Washington, April 4, 1956.

SUBJECT

Problem of Vietnamese Armistice Declaration

1. The Vietnamese Government on April 3 delivered to the British Ambassador in Saigon a letter addressed to the UK Foreign Secretary containing the text of the Vietnamese policy statement on the question of armistice responsibilities on which the Vietnamese, in consultation with the British and ourselves, had been working for several weeks. A copy of the Vietnamese letter to the British is attached for your information (Tab A).[2]

2. Our Ambassador and the British Ambassador consider the Vietnamese text the maximum obtainable and have consequently given it their full support. The text is being transmitted in the form of a Vietnamese answer to a warning message of the Geneva co-Chairmen on the subject of armistice responsibilities which was transmitted to the Geneva powers and the supervisory powers in Viet-Nam on December 21, 1955.[3] The British will probably circulate the text

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[1] Source: Department of State, Central Files, 751G.00/4–456. Secret. Drafted by Kattenburg and cleared with PSA and WE.

[2] For text of this letter, April 3, which was not attached to the source text, see Cameron, *Viet-Nam Crisis,* vol. I, pp. 425–426. On April 6, the Republic of Vietnam made public a declaration in terms almost identical to this letter of April 3.

[3] For text of this message, actually dated December 20, see *ibid.*, pp. 414–415.

to the Geneva powers and the supervisory powers as soon as possible.

3. The Soviets have now formally responded to the March 9 British suggestion to the Soviets that in place of holding a new Geneva conference at this time, the Geneva co-Chairmen meet in London during the visit of the Soviet leaders in mid-April.[4] The Soviet answer stresses the need for full implementation of the Geneva Agreements, including nation-wide elections, and suggests advantage be taken of Gromyko's presence in London to hold an earlier meeting of the co-Chairmen with a view to expediting an early convocation of a meeting of the Geneva powers.

4. The British may tell the Soviets that they are agreeable to an early meeting, perhaps in the second week in April. They are relying upon the text of the Vietnamese policy statement to make the best possible case in talking to Gromyko.

5. The British Foreign Office has not yet informed us of its attitude: a) on the merits of the Vietnamese statement, and b) on a later convocation of a new Geneva conference if the Soviets insist on such a meeting.

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[4] For a report of these meetings of the Geneva cochairmen, see Document 324.

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319. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, April 12, 1956—4:43 p.m.

3430. Joint State/Defense Message for Embassy and MAAG. Department's 3362, 3375, 3388 to Saigon;[2] Saigon's 4057, 4058, 4077, 4096.[3] Details State/Defense understanding TERM and related problems MAAG as follows:

1. A Temporary Equipment Recovery Mission of 350 American military personnel is created for the purpose both of supervising the

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[1] Source: Department of State, Central Files, 751G.00/4–956. Confidential; Priority. Drafted by Kattenburg and cleared with SEA, FE, G, and Defense. Repeated to Paris, London, Ottawa, and New Delhi.

[2] These telegrams, April 5, 6, and 7, contained preliminary thinking and instructions by the Departments of State and Defense on TERM and ICC approval of the mission. (*Ibid.*, 751G.5–MSP/4–256, 751G.5–MSP/4–656, and 751G.00/4–656, respectively)

[3] These telegrams, April 6, 6, 7, and 9, contained the Embassy's views and comments on TERM and ICC approval of the mission. (*Ibid.*, 751G.5–MSP/4–656, 751G.00/4–656, 751G.00/4–756, and 751G.5–MSP/4–956, respectively)

recovery and outshipment of excess MDAP equipment in Viet-Nam and of assisting in the improvement of Vietnamese logistical capabilities so as to preserve equipment in the hands of Viet-Nam Armed forces (Department's 2790 to Saigon[4]). The estimated time period for the operation is 12 months and the operation will be restudied by our two Departments prior to expiration of that time. TERM personnel are also to work in conjunction with French military technical personnel completing French obligations under the Ely/Collins Agreement in respect to MDAP matériel in Viet-Nam and with any foreign civilian technicians that may be hired by the Government of Viet-Nam for the purposes stated above.

2. In view desirability requesting formal Commission approval for TERM operation, State and Defense have agreed delay TERM arrivals until May 9, 1956, thus leaving what appears to us reasonable time for Commission consideration.

3. Defense fully aware necessity keeping MAAG and TERM organizations separate insofar as possible. Personnel orders for incoming TERM personnel will therefore be labelled specifically for TERM and a specific officer will be selected to head TERM under command of Chief MAAG.

4. State has, however, concurred in Defense plan to transfer personnel from MAAG to TERM to extent required for maximum efficiency of its operations Viet-Nam, and it is consequently probable that some of new personnel arrivals will be assigned MAAG after arrival, with concurrent transfer certain present MAAG personnel to TERM.

5. State and Defense agree that ICC notification procedure for both TERM and MAAG personnel should be kept to minimum required as decided by Ambassador after consultation with Chief MAAG. U.S. certainly would not countenance Commission control of U.S. military activities Viet-Nam once personnel are on the spot.

6. In regard to ICC notification procedure Chief MAAG will be responsible for supplying to Embassy with minimum delay arrival and departure information all U.S. military personnel Viet-Nam, as well as required information re outshipment and arrival matériel and equipment. Embassy will then informally provide this information to French or Vietnamese for transmission to Commission.

7. Insofar as practicable, commercial aircraft will be used for new personnel arrivals in Viet-Nam. Whenever MATS is used, prior notification or MATS arrivals will be given Chief MAAG and Chief TERM for info Embassy whenever possible.

8. New military personnel will arrive in increments staggered over approximately 120 days. Full staffing MAAG and TERM as de-

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[4] See footnote 3, Document 304.

scribed para 12 below will not be achieved until sometime in August 1956.

9. In regard to clothing of military personnel, discretion is being left to Chief MAAG, Chief TERM, and Ambassador as indicated Department's 3362 to Saigon.[5]

10. Funds and personnel for support TERM operation will be provided by Department of Defense.

11. No publicity will be given TERM operation in Washington or in field at this time. If knowledge of operation becomes public in Viet-Nam, U.S. Ambassador authorized to make such public statement as he and Chief MAAG deem necessary.

12. Problem of MAAG and TERM excess. Defense Department has agreed limit TERM to 350 personnel and comply with required ICC notification procedures on understanding that establishment TERM will satisfy its minimum personnel requirement Viet-Nam (Department's 3323 to Saigon[6]). This requirement is 740 personnel including both MAAG and TERM. State and Defense agree that ceiling figures given Commission should be 342 and 350 respectively. Seems reasonable that gap of 48 personnel be considered excess for both groups to cover number personnel normally on leave, medical, travel status, etc., outside Viet-Nam. State has therefore authorized Defense to assign total of 740 military personnel to Viet-Nam with understanding there will not be actually more than 692 personnel physically present in Viet-Nam at any one time, including TDY's, but excluding overlaps.

Dulles

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[5] This telegram, cited in footnote 2 above, reads in part: "Question uniforms for TERM personnel to be handled as follows. Since Defense Department poses strongest objections to restrictions requiring TERM personnel to wear civilian clothing, Chief TERM will determine conditions under which uniforms or civilian clothing are to be worn. In recognition of political and psychological factors involved, and after consultation with American Ambassador, Chief TERM will to extent practicable direct TERM personnel to wear civilian clothing when off duty and on other occasions as appropriate."

[6] Dated April 2, not printed. (Department of State, Central Files, 751G.00/3–2856)

320. Memorandum Prepared by the Joint Staff[1]

Washington, 13 April 1956.

DEFENSE INFORMATION RELATING TO THE U.S. AID PROGRAM FOR VIETNAM

1. In a memorandum for the Secretary of Defense, dated 25 February 1955, subject: "Objectives for the Department of Defense International Security Plan",[2] the Joint Chiefs of Staff submitted the following major U.S. military objectives for Vietnam:

a. To assist Free Vietnam, as appropriate, to maintain military forces necessary for internal security and capable of providing some resistance to external aggression.
b. Promote eventual participation by Free Vietnam in the Manila Pact (SEATO).

2. From the foregoing military objectives, the following missions for the Vietnamese armed forces have been derived:

a. To assist in the maintenance of internal security.
b. To resist external aggression.
c. To assist in regional defense with other non-Communist countries.

3. The Vietnamese force objectives to achieve a minimum capability to accomplish the above objectives and missions, as previously recommended by the Joint Chiefs of Staff in a memorandum for the Secretary of Defense, dated 4 January 1956, subject: "Modification of MDA Programming Guidance for FY 1957",[3] are still valid.

4. The Joint Chiefs of Staff agree with the assessment of the capability of Vietnamese forces and the report on the current status of existing Vietnamese forces by the Military Assistance Advisory Group, Vietnam, dated 15 January 1956, subject: "Country Statement on MDAP, Non-NATO Countries."[4]

5. In view of the sensitive nature of the information quoted or referenced above, it is recommended that the following be used as a basis for the Department of Defense submission on Vietnam:

a. *Force objectives:* Army, 4 infantry divisions and 4 territorial divisions; Navy, 7 landing ships and 5 patrol craft; Air Force, 5 squadrons.

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[1] Source: JCS Records, CCS 092 (88–22–46) (2). Top Secret. Transmitted to Wilson as an appendix to a brief memorandum from Radford (for the JCS), April 13, explaining that this appendix on Vietnam was in response to a request from the Assistant Secretary of Defense (ISA), January 24, for such information.

[2] Not printed. (*Ibid.*, CCS 381 U.S. (1–31–50))

[3] Not printed. (*Ibid.*, CCS 092 (8–22–46) (2))

[4] Not found.

b. *Force missions:* As stated in paragraph 2 above.

c. *Justification:* The Vietnamese force objectives are the optimum forces that the Vietnamese can presently raise and maintain with available U.S. aid. The Joint Chiefs of Staff consider that these forces are the minimum acceptable for the assigned missions. These force levels are based on U.S. aid available and force requirements and are justified by the inclusion of Vietnam in the "Protocol to the Southeast Asia Collective Defense Treaty."

d. *Forces in being:*

(1) *Army*—4 field divisions, 6 light divisions, non-divisional infantry, and supporting units.

(2) *Navy*—4 Dinaussaut units, each consisting of a support landing ship (large) (LSSL) or infantry landing ship (large) (LSIL) as a 'mother' ship with 6 or 7 medium landing craft (LCM) and landing craft vehicle personnel (LCVP); and 1 marine battalion.

(3) *Air Force*—1 liaison squadron and 1 transport squadron.

e. *Effectiveness of Forces in being:*

(1) *General.* All three of the Vietnamese Services lack adequate experienced command and staff officers, and urgently need additional training; they are incapable of autonomous logistic supply and maintenance activities, even assuming adequate supply of necessary material by the U.S. These inadequacies are even more pronounced in the Navy and Air Force than in the Army.

(2) *Army.* The Vietnamese Army is currently capable of establishing and maintaining internal security against bandit and dissident elements, excluding organized all-out activity by Viet Minh elements acting under centralized direction of the Democratic Republic of Vietnam. This capability does not preclude minor isolated attacks by dissidents and bandits. In event of organized full-scale guerrilla and subversive activity by "planted" Viet Minh elements, control of relatively large undeveloped areas of Free Vietnam would likely pass to the Viet Minh. In event of full scale Viet Minh invasion, Vietnamese army forces would not be capable, at this time, of reacting with sufficient speed and effectiveness to utilize the natural defensive terrain north of Tourane. Assuming logistic support requirements will not allow fast uninterrupted Viet Minh movement southward, the assistance provided by terrain and distance would enable Vietnamese forces to retain general control of the "heartland" area of Free Vietnam south of the line Ban Me Thuot–Nha Trang for the first 60 days of hostilities, provided this "heartland" area did not itself collapse due to internal conditions.

(3) *Navy.* The Vietnamese Navy has demonstrated a capability to participate effectively in limited amphibious operations and to provide limited surveillance of its coast and waterways. It is incapable of fulfilling a mission of coastal patrol and of providing its own logistic support.

(4) *Air Force.* The capability of the Vietnamese Air Force to fulfill its mission to provide air support for the Vietnamese Army, including liaison, reconnaissance, and limited ground-fire support and air transportation of personnel and supplies, is very limited. Primary limiting factors are general lack of organization and qualified personnel.

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321. Letter From the Deputy Under Secretary of State (Murphy) to the Secretary of Defense (Wilson)[1]

Washington, May 1, 1956.

Dear Mr. Secretary: I refer both to your letter to the Secretary dated December 13, 1955,[2] on the subject of dispatching additional military training personnel to Viet-Nam and to your letter to the Secretary dated January 31, 1956,[3] bearing more specifically on the problem of recovering and maintaining MDAP-origin equipment in Viet-Nam.

As you are aware, our two Departments have been studying and discussing these related problems for several months. On February 25, 1956, during these discussions, the Department of State initiated negotiations with other governments principally concerned with a view to obtaining their acquiescence to our joint project of sending a Temporary Equipment Mission to Viet-Nam. These negotiations have now been favorably completed, leaving only the formal approval of the International Control Commission in Viet-Nam still to be obtained. We are now seeking this approval which we hope can be given in time for the first TERM elements to arrive in Saigon on May 9, the date mutually agreed upon for initial arrivals.

Meanwhile, with our concurrence your Department has begun implementation of this project. Accordingly, it may be appropriate for me to elaborate the State Department's understanding of certain aspects of the TERM operation which are only briefly alluded to in the Joint State/Defense message to Saigon numbered State 3430, dated April 12, 1956,[4] in which you concurred.

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[1] Source: Department of State, Central Files, 751G.5–MSP/5–156. Secret. Drafted by Kattenburg with the concurrence of SEA and FE. As of April 1, PSA was abolished and replaced by the Office of Southeast Asian Affairs (SEA), headed by Young and responsible for Burma, Cambodia, Laos, Malaya, Thailand, and Vietnam, and the Office of Southwest Pacific Affairs (SPA), headed by Bell and responsible for Australia, New Zealand, Indonesia, the Philippines, and the Pacific Islands. This letter is printed also in *United States–Vietnam Relations. 1945–1967,* Book 10, pp. 1057–1059.

[2] See footnote 3, Document 287.

[3] Document 295.

[4] Document 319.

1. It is our understanding that the TERM operation has the double purpose of (a) supervising the recovery (identification, inventory, and accounting control) and outshipment of excess MDAP equipment; and (b) of assisting in the improvement of Vietnamese logistical capabilities.

The TERM operation was originally conceived to implement the decision of the Secretary of State, dated February 3, 1956, to explore with other governments concerned the possibility of sending additional military personnel to Viet-Nam to assist in the recovery of our equipment. It has been understood between our two Departments from the beginning of discussions on that problem that if significant amounts of this equipment are inventoried, much of it, including equipment nominally turned over to the Vietnamese forces, will be shipped out of Vietnam. It is on the basis of this understanding that the Department of State obtained the acquiescence of other governments concerned, the rationale for their acceptance being that the TERM operation will not contribute to the growth of the military potential in the zone south of the 17th parallel.

While it is understood, therefore, that TERM personnel will perform certain functions of training which are inseparable from their tasks of recovering and maintaining United States-origin equipment in Viet-Nam, such functions of training should in no case be allowed to become the single or even the primary duty of TERM (as distinguished from MAAG) personnel. Moreover, a substantial quantity of the equipment recovered in Viet-Nam should be shipped out of the country, so as to implement in good faith the promises made to other governments whose benevolent acquiescence to the operation we have obtained.

2. In regard to the clothing of the military personnel involved, and as indicated in our joint message of April 12, 1956, to Saigon this question is being left to the discretion of Chief MAAG, Chief TERM, and the American Ambassador at Saigon. However, I wish to indicate again our very strong desire that owing to the political and psychological factors involved, civilian clothing be used whenever possible by TERM personnel upon their arrival in and departure from Viet-Nam, as well as during their period of assignment in the country.

3. With respect to administrative support services for TERM, it is our understanding that the appropriate personnel and funds will be provided by the Department of Defense for the full administrative backstopping of the group. In this connection, it has been our view for some time now that steps should be taken to have the MAAG mission administratively supported by military personnel. The Embassy at Saigon has had increasing difficulty over the past several years in performing adequate support services for the MAAG. We

feel that since your Department will now establish a complete administrative unit for TERM, it would be appropriate to consider the transfer of all support arrangements for MAAG from the Embassy's jurisdiction as soon as practicable. I understand that the MAAG mission in Saigon has given considerable thought to this proposition in the last several months and I would like to urge that the appropriate administrative units of our two Departments begin formulating definite plans for such a transfer.

I shall appreciate your views as soon as it is convenient and hope that you will concur in the points expressed above. A copy of this letter is being sent to Mr. Allen Dulles, Director, Central Intelligence Agency, Washington, and to the American Ambassador to Saigon.

Sincerely yours,

Robert D. Murphy

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322. Telegram From the Secretary of State to the Department of State[1]

Paris, May 3, 1956—10 a.m.

Secto 3. Subject: Bilateral talks May 2 with French: Far East.

1. Pineau opened by saying that French were firmly against reconvening Geneva conference on Indochina as it would serve no point with US and Vietnam absent. He said France was willing maintain her responsibilities under armistice agreement on an ad hoc basis provided it proved possible work out some agreement with Vietnamese for them to share in this responsibility.

2. Pineau then mentioned military negotiations with Vietnamese. He said French were very desirous maintaining Seno base and pointed out importance of this base in strengthening position of Lao Government. To maintain this base it would be necessary have transit and docking facilities Saigon. In practice this would mean maintenance of naval arsenal at Saigon so that there would be facilities available to repair and provision French ships. Pineau said French had made suggestion along this line to Vietnamese 2 weeks ago and had not yet received any reply.

3. Pineau said General Williams had assembled the French officers who had been working for TRIM and had told them that since

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[1] Source: Department of State, Central Files, 751G.5-MSP/5-356. Secret. Repeated for information to Saigon, Vientiane, and London. Dulles was in Paris for North Atlantic Council ministerial meetings, May 4–5.

TRIM was going out of existence as of April 28, their services were no longer required and that they should leave promptly.[2] Pineau said that this might have been technically correct but he did not think it had been a very tactful way to handle this matter. Pineau then raised the question of command and said that US was insisting on an overall US command that would prevent direct access by French naval and air training elements to Vietnamese Government. He said French felt this was not acceptable and that what he wished was a small French element in a joint staff. He did not seem to question at all propriety of a preponderance of US influence in such a staff but felt strongly French should have some representation on it. The Secretary replied he was not familiar with either of these two subjects. Would promptly ask for information from Washington. (Information contained Saigon 4351 repeated Paris 696[3] had not yet reached French.)

4. North Vietnam. Pineau said there had been no change in situation and French had no intention having diplomatic relations with North Vietnam. They planned continue their economic and cultural mission as in past, and had offered Viet Minh right to have similar mission Paris. This offer had not as yet been accepted by Viet Minh. Secretary said commercial mission risked assuming diplomatic character.

5. Cambodia. Pineau expressed pleasure our recent letter regarding aid for Cambodia. He said French heartily approved our action in assisting Cambodia and hoped we would continue on our present course. He said that while great patience was required in dealing with Cambodians, they were fundamentally friendly.

In closing Pineau stressed that the 2 really important matters were the Saigon naval arsenal and the command problem.

Dulles

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[2] Williams denied this according to telegram 4395 from Saigon, May 5. (*Ibid.*, 751G.5/5–556)

[3] In this telegram, May 1, the Embassy reported that Hoppenot and his staff were unhappy with a U.S. proposal that Williams become overall coordinator of military training in Vietnam. The Embassy staff believed it was a matter of prestige to the French and planned to suggest informally to the French that they consider a Franco-American-Vietnamese liaison group chaired by Williams. (*Ibid.*, 751G.5–MSP/5–156)

323. Telegram From the Secretary of State to the Department of State[1]

Paris, May 6, 1956—9 p.m.

Secto 32. Following is summary of Tripartite Ministers discussion on Far East May 6:

Pineau opened by saying main problem from French viewpoint is that resulting from abolition of French High Command.[2] French placed in difficult position as result of their responsibilities under Geneva Agreement. They were pleased with proposals worked out in London to have co-chairmen of Geneva Conference meet and make proposals to French Government to enable it to discharge its responsibilities.[3] He expressed gratitude to UK for its efforts in this regard. He said that French Government had received numerous requests from North Vietnam for international conference. It had answered that conference useless in view of South Vietnam and U.S. unwillingness to attend. He thought there should be common viewpoint on this matter.

Pineau said that proposed solution to be communicated French Government (of which however it had not yet received official text) involved one problem. Application of military clauses and political clauses were not clearly distinguished, which might cause trouble with Diem whose cooperation was essential. He thought instructions to UK representative (Stephenson) should deal with this point on basis to be worked out by mutual agreement. He asked Secretary's views on willingness of Diem to cooperate with respect to ICC.

Secretary said that he was not up to date on situation. When he stopped at Saigon after Karachi meeting a month ago, statement to be made by Diem had been worked out which had been practically agreed. In effect, Diem would have agreed to give effect to military clauses of armistice agreement and to protect ICC. He did not know what had happened subsequently to this proposal.

Lloyd said he believed considerable progress had been made in London discussion. Gromyko seemed disposed to abandon idea of international conference. He thought effect of proposed statement was to give Diem benefit of armistice agreement without assuming responsibilities. He had been surprised at moderate reaction of Krishna Menon. Indians would apparently be satisfied with statement that there would be discussion of elections by July, 1957. He thought it desirable to persuade Diem to do something with respect to political aspects. He did not think it was in our interest to have military armistice system break down, which would happen if ICC had to leave, and to have hostilities resumed.

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[1] Source: Department of State, Central Files, 751G.00/5–656. Secret. Repeated for information to Saigon and London.

[2] The French High Command in Indochina had been officially dissolved on April 28.

[3] For a report of the meetings of the Geneva cochairmen in London, see *infra*.

The Secretary said U.S. was in agreement with this thought. Only recent information he had, which he believed British and French knew, related to operation of military mission to deal with equipment turned over by French to Vietnam Government. He had discussed this with Nehru at New Delhi and had obtained Nehru's agreement to dispatch of mission. However several days ago Indian representative on ICC had withheld consent on grounds position of ICC was not sufficiently clear. This was disturbing development. Mission was on Pacific coast and ready to depart. He did not know how long its departure could be held up. He understood that there was no objection to sending mission, which had been agreed to by Nehru. Difficulty was lack of clarity as to authority of commission to approve or disapprove its activities.

Secretary said there was one additional point which he had discussed with Pineau on May 3, which related to the command arrangements affecting French training mission. He was informed that agreement had been reached between Hoppenot and Reinhardt in Saigon, and it was hoped to obtain Diem's agreement to arrangements on Tuesday.[3]

Pineau said he thought there was general interest in French maintaining base in Indo China. This was only base they had, which it would be foolish to abandon since it was only one permitted under armistice agreement. However, logistic support was required which he thought was reconcilable with requirements of training mission.

Secretary said he had not spoken of this point but of command arrangements which he understood had been agreed. Pineau said this was also his understanding.

Dulles

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[3] May 8.

324. Memorandum From the Deputy Assistant Secretary of State for Far Eastern Affairs (Sebald) to the Secretary of State[1]

Washington, May 10, 1956.

SUBJECT

Results of the London Co-Chairmen Talks on Viet-Nam.

1. At the conclusion of their meetings on Vietnam, the co-chairmen sent out three important messages which, in effect, will serve as supplements to the Geneva agreements on Viet-Nam. Messages went to: (1) the Vietnamese and Viet Minh Governments; (2) the International Control Commission (ICC); and (3) the French Government. All three messages stress: (a) the need fully to implement the Geneva Agreements, including the political provisions, (b) the hope of the Co-Chairmen that the ICC will continue to supervise the armistice in Viet-Nam on the basis of the Geneva Agreements, and (c) the belief of the Co-Chairmen that present difficulties, including some very vexing legal problems, can be resolved in practice through the cooperation of both Vietnamese Governments with the ICC in the implementation of the Geneva Agreements.

2. In their message to the Republic of Viet-Nam and to the Viet Minh (Tab A)[2] the Co-Chairmen express their concern that consultations for elections have not yet begun although both sides have accepted the principle of reunification by free elections. They strongly urge both governments to make every effort to implement the Geneva Agreements and *invite them to transmit to the Co-Chairmen as soon as possible, jointly or separately, their views on the time required for the opening of electoral consultations and the holding of elections.* The Co-Chairmen state that they will continue to consult about the situation in Viet-Nam and if necessary will discuss measures to insure the fulfillment of the Geneva Agreements including the proposal to convene a new Geneva conference.

3. In their message to the ICC (Tab B),[3] the Co-Chairmen stress the importance of maintaining the cease-fire under continued supervision of the ICC pending the holding of elections for reunification in Viet-Nam. If the commission encounters obstacles or difficulties that cannot be resolved on the spot, it is so to inform the Co-Chairmen who may then consider measures to facilitate the work of the commission.

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[1] Source: Department of State, Central Files, 751G.00/5–1056. Secret. Drafted by Kattenburg with concurrences from Kocher and Young. A marginal note on the source text indicates that the Secretary saw this memorandum.

[2] For text, see Cameron, *Viet-Nam Crisis,* vol. I, pp. 432–433.

[3] For text, see *ibid.* ,pp. 434–435.

4. In their message to the French Government (Tab C),[4] the Co-Chairmen state their belief that the continued good offices of the French Government (as liaison with the ICC and with the Joint Armistice Commission) could be very valuable while present difficulties are being resolved, and invite the French Government to discuss this question with the Vietnamese authorities. The Co-Chairmen ask that until some new arrangement is put into effect the French Government preserve the status quo (by continuing its present liaison functions with ICC and JAC).

Comments

1. As a result of these messages, the Soviet Union and UK as Geneva Co-Chairmen emerge as the institutionalized arbiters of the implementation of the Geneva Agreements in Viet-Nam.

2. Viewed from the vantage point of mid-1954, the West can be considered to have gained a considerable diplomatic victory in that more time has been gained to strengthen South Viet-Nam, the armistice is being preserved, and no elections will be held in 1956. At the same time, no date has been set for such elections or for the opening of electoral consultations between the two zones.

3. Similarly, from the vantage point of the UK, engaged in a relatively difficult negotiation with the Soviets, the outcome of the talks is favorable in that the immediate danger of a new Geneva conference has been averted.

4. However, from the vantage point of the Vietnamese Government and of our more recent hopes as to the future in Viet-Nam, the messages have several unfortunate aspects.

(a) Though they suggest that present difficulties can be resolved in practice, they do not mention the April 6 Vietnamese declaration of cooperation with the armistice and with the ICC,[5] and they continue to stress the implementation of the old Geneva Agreements to which Viet-Nam refuses to be bound;

(b) The Commission is under a stronger mandate now than it was before to see to the implementation of the Geneva political provisions (elections);

(c) The stress on the elections and the request to transmit to the Co-Chairmen an estimate of the time required in this regard will probably prove highly unpalatable to the Vietnamese Government;

(d) The Vietnamese are unlikely to agree for long to a continuing liaison role by the French with the ICC and the Joint Armistice Commission and are equally unlikely ever to accept legal succession to French obligations under the Geneva Agreements.

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[4] For text, see *ibid.*, pp. 435–436.

[5] See Document 318.

5. From the standpoint of Communist intentions, the Co-Chairmen talks reveal that, while the Russians are probably not anxious to see a crisis precipitated in Viet-Nam over the Geneva Agreements, they nonetheless are by no means abandoning their support of the Chinese Communists and the Viet Minh in regard to Viet-Nam. Nor are the British yet sanguine enough about South Viet-Nam to risk a possible major explosion in bargaining hard with the Russians on the issue.

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325. Telegram From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to the Commander in Chief, Pacific (Stump)[1]

Saigon, May 15, 1956—7:39 p.m.

151139Z. Cite MAGCH 3887. For Admiral Stump and limited distribution.

President Diem assembled considerable number of the General Staff, division and region commanders and part of Cabinet at Kontum on 9 May for a conference that lasted until 12 May. He went to Kontum personally on 10 May taking Chief MAAG as guest. First night was spent in Kontum, second night in Pleiku. Villages and troops in this plateau area were visited. Furthest village to north was Darto. I did not attend the conference but travelled with the President and Chief of Staff[2] throughout the period. Diem stated purpose in having conference in Kontum was to have members of Cabinet and military commanders, many of whom had never been to the sparsely inhabited plateau country, learn something of the area and its strategic importance to Vietnam.

Under heavy discussion were means of improving road net for both economic and military reasons, encouragement of settlers from the coastal regions, means of winning the tribes to national government, counter action against Vietcong propaganda in the area, etc. All of which I had recommended to him repeatedly last November and December after my initial reconnaissance of this country and seemingly at that time totally without success.

The President, Secretaries [title deleted], Public Works,[3] Finance,[4] Agriculture,[5] and other officials are really fired up with de-

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[1] Source: Center of Military History, Williams Papers, (3) Memos for Record 1955–1956. Secret. Repeated for information to CNO in Washington.

[2] General Le Van Ty.

[3] Tran Van Meo.

Continued

termination to develop the plateau country. Particularly large demonstrations were held at Kontum and Pleiku by both tribesmen and Vietnamese. At Pleiku an estimated thirty thousand were assembled. The demonstrations were even greater than on our trip to the South and West last month. Personal security for Diem became at times completely nil. In several long talks, with only his brother and myself present, he strengthened my belief that he is especially well informed, has a keen analytical mind and has the highest moral standards. His popularity with the "common man" today is plainly evident regardless of reports from some sources to the contrary.

Unquestionably, good results, military and economic, will result from this trip. Diem has now completely rejected the old concept inherited from French that defense of Vietnam must be limited to Ban Me Thuot and south thereof to Saigon. He rejects the old concept of buttoning up in battalion and company size forts and block houses and agrees that divisions must be kept flexible and mobile. He will have difficulty in convincing some of his commanders who had long service with the French colonial army, however his hold on them is so strong that sooner or later they will accept the doctrine and listen more readily to teaching of our advisors.

Chief MAAG with interpreter and aide were only whites in party and were treated with great consideration and courtesy by all. Signed Williams.

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[4] Tran Huu Phuong.

[5] Nguyen Cong Vien.

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326. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, May 24, 1956—10 a.m.

4592. 1. General Williams and I accompanied Deputy Secretary Defense Robertson when he called on Diem morning May 23.[2] President devoted interview to expounding his latest views on most urgent defense requirements of Vietnam. According to his best information and appreciation there was little danger of all-out overt aggression from North which would involve flanking movement through Laos and Cambodia aimed at the total conquest of South Vietnam. Most probable danger, he said, was Viet Minh invasion across 17th Parallel which violated no third country frontiers and had limited objective of occupying Quang Tri and Hue Provinces, with possible view to withdrawal as soon as certain political concessions had been extracted from South. For this reason, he had instructed VN General Staff to abandon French defensive planning which called for withdrawal from the area of the 17th Parallel in event of attack and to plan for proper defense in immediate vicinity of Parallel. (This latter reflects successful germination of idea General Williams has been endeavoring to plant in VN thinking for some time.)

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[1] Source: Department of State, Central Files, 751G.5/5–2456. Secret. Passed to Defense and CINCPAC.

[2] Reuben Robertson's visit to Saigon was part of a larger trip to the Far East to study and assess the military situation there.

2. With foregoing in mind, Diem had three specific requests:[3]

First, that the United States Government make it clear to world it would regard limited aggression of this nature by Viet Minh as aggression in absolute sense and would react accordingly.[4]

Second, that US assistance to VN road-building program be accelerated so that strategic roads planned for area immediately behind 17th Parallel and necessary to its defense as well as economic development could be completed as soon as possible. The priority here was early arrival of much-needed road-building machinery.

Third, the President urged equal speed in implementation of plans to equip the Civil Guard with adequate communications and transportation matériel. In absence of this it was impossible for the Civil Guard to relieve National Army of its internal security assignments in South and West and redeployment center.

3. Detailed discussions took place only on second point during which General Williams pointed out his efforts to coordinate MAAG contribution to road-building problem with USOM and VN Departments of Defense and Public Works. Deputy Secretary Defense Robertson suggested that excess quantities of road-building equipment now in armed forces hands elsewhere in Far East might be made

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[3] Diem made similar requests through the Vietnamese Ambassador in Washington, Tran Van Chuong, to Department officials on May 29. According to a memorandum of conversation of the meeting with Tran Van Chuong, Young treated these requests sympathetically and agreed to pass them on to Assistant Secretary of State Walter Robertson, but Young did note that the United States had no reliable indications that hostilities by the Viet Minh were imminent. (Department of State, Central Files, 751G.00/5–2956)

Department of State intelligence had low-level and unreliable reports that officials in Hanoi in mid-April had decided to evacuate from the Dong Hoi area (just north of the 17th parallel) all children, women caring for children, women over 30, and men over 50. In a memorandum to Walter Robertson, May 25, Park Armstrong pointed out that these evacuation plans provided an ominous comparison with the situation in Korea north of the 38th parallel in May and June 1950. (*Ibid.*, 751G.00/5–2556)

[4] According to telegram 3922 to Saigon, June 1, the Department gave consideration to Diem's request for such a statement, but it believed reports of Viet Minh intentions to commit armed violation of the demarcation line were of uncertain reliability. Furthermore, the general posture of the Communist bloc as well as current propaganda of the Viet Minh did not bear out the likelihood of such a move. (*Ibid.*, 751G.5/5–2456)

available to fill this requirement. At his request he is meeting May 24 with Chief MAAG, USOM Director and myself on this problem.

Reinhardt

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327. Memorandum of a Conversation, Department of State, Washington, May 28, 1956, 5 p.m.[1]

SUBJECT

TERM

PARTICIPANTS

G—Mr. Murphy
G—Mr. Bennett
FE—Mr. Robertson
FE—Mr. Sebald
SEA—Mr. Young
SEA—Mr. Kattenburg

This meeting was called for the purpose of deciding whether we should request the Defense Department to place a further temporary halt on the arrival of TERM personnel into Saigon, in the light of a new note dated May 26 from the International Commission in Viet-Nam to the Vietnamese Government[2] requesting that such arrivals be delayed until after the Commission could decide on the matter. Contingent of 86 Army personnel was now in flight between West Coast and Saigon and would depart from Clark Air Force Base, Philadelphia [*Philippines*], not later than 8:00 a.m. May 30.

At the outset of the meeting, Mr. Murphy expressed his strong feeling that there should be no further delay in the movement of TERM personnel, that we had given ample time to the Commission to act, and that it seemed to him highly doubtful whether delaying this movement for another week or two would spur the Commission to faster action. Mr. Murphy felt that since this was a matter of great urgency, and in view of the statements he had made to the Secretary about it nearly two months earlier, indicating for example the likelihood of press leaks on this matter during Congressional presentation on foreign aid, he felt we had been "almost neglectful" in not proceeding faster. Mr. Murphy further indicated that when the United States takes strong leadership on an issue, the risks and consequences are frequently far less than expected; for example, in the recent issue of the NNSC in Korea, after we had indicated firmly that we would go through with our action, we had obtained unanimity among the 16 nations involved; moreover, in the case of TERM, we had told the Commission powers that we would go through with the project by the end of May.

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[1] Source: Department of State, Central Files, 751G.5/5–2856. Secret. Drafted by Kattenburg on June 12 and approved in substance by Young. Robertson initialed the source text. The meeting took place in Murphy's office.

[2] In telegram 2899 to New Delhi, May 29, the Department reported learning that "note dated May 26 addressed to French Liaison Mission Hanoi, International Commission in Viet-Nam informs Vietnamese Government that entry initial contingent TERM personnel into Viet-Nam should be further delayed, so that Commission may complete consideration of matter prior arrival this personnel." (*Ibid.*, 751G.00/5–2856)

Mr. Robertson indicated agreement with Mr. Murphy's views and said that the matter had been kept pending for a long time because we had decided, at the urging of Embassy Saigon, to request formal Commission approval, beyond obtaining the approval of the Canadian and Indian Governments which had been secured shortly after the Secretary's return from his post-SEATO trip. Mr. Robertson had the distinct impression the Secretary wanted us to have Commission approval of the project, but he also felt that the Secretary would not stop the project if we could not obtain such approval. Mr. Robertson thought the time for action had definitely come and agreed with Mr. Murphy that it was essential at times to take risks for the accomplishment of a major objective.

Mr. Sebald underlined that we had not sought Commission approval without qualifications, we had limited the period for Commission consideration to 30 days initially and this had been further extended thereafter. Mr. Sebald also indicated that he had understood from Mr. Gordon Gray that the Secretary had given Mr. Gray a very definite commitment that we would go in by the end of May with or without formal Commission approval, and that the British had been informed of this understanding. Mr. Sebald could not see going back over the very firm statements we had instructed our Embassy Saigon to make to the Indians and Canadians about our determination to go in at the end of May. Mr. Sebald further felt that we had given in considerably to the Commission recently and had become very much more involved in the armistice machinery than before, in terms of notification of MAAG arrivals, giving the ceiling figure for use of the Commission, etc. We had not yet received any quid pro quo for this increased cooperation.

Mr. Young dissented with the views expressed and thought the risks in our proposed action justified waiting another two weeks or so. He felt that since we had decided to obtain Commission approval, we should await such approval. It should be remembered that TERM had a double purpose and that the risks in the whole operation were not inconsiderable, that in view of the delicacy of the armistice question at this time we should obtain full Commission approval.

Mr. Murphy queried Mr. Young as to what possible serious consequences could come from failure to obtain Commission approval, and Mr. Young agreed that the consequences would probably not be insuperable from our point of view. However, he did not think the risks worth taking.

After some discussion of the degree to which we were actually bound by the decision to seek Commission approval, during which there was some evocation of the similarity between the Korean and Viet-Nam situations as to the extent to which the armistice circumscribed our actions in both areas, it was decided not to request Defense to place a further halt on the movement of this personnel. However, it was agreed that a summary history of the TERM negotiations[3] would be sent out to Embassies Delhi and Ottawa to aid the latter in explaining to the Indian and Canadian Governments the reasons why we felt impelled to proceed with the movement even prior to obtaining final Commission approval.[4]

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[3] That summary history is in telegram 2899 to New Delhi, May 29, sent also to Ottawa and Saigon and repeated for information to London and Paris. (*Ibid.*, 751G.00/5–2856)

[4] TERM was finally activated on June 1.

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328. Telegram From the Chief of Naval Operations (Burke) to the Commander in Chief, Pacific (Stump)[1]

Washington, May 30, 1956—10:49 a.m.

301549Z. Chairman JCS tabled plan for defense Vietnam for consideration JCS in connection with early DOD presentation to be made to NSC on capabilities, with or without nuclear weapons, of US military forces to deal with local aggression in Vietnam. Request your comments ASAP. Plan briefed as follows.

Assumed ChiCom forces will not intervene except provide advisors and logistic support but will pose threat of intervention particularly air power.

To accomplish US objectives supporting forces from US and other SEATO nations must arrive within few days. Fight should be won by Vietnamese backed as much as possible by other Asians.

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[1] Source: Naval Historical Center, CINCPACFLT Microfilm Files, Reel TS 1956 3144. Top Secret. CINCPAC passed this message to the MAAG in Vietnam on June 2 (022121Z).

Concept. Vietminh aggression start by surprise attack across 17 parallel. Vietnamese army will make hard fight near Quang Tri but should fall back to Tourane hill mass where make resolute defense. Meanwhile specially trained US Army advisors will have arrived Tourane. US troops including . . . will be air and sea lifted to support defense Tourane Saigon and Cam Ranh Bay. US air and naval forces attack Vietminh forces and supporting installations. Above operations commence within few days start of aggression and will be followed by support other SEATO nations resulting destruction Vietminh army and enabling Vietnamese take control all Vietnam. Combined SEATO Command will be organized. Aside from possible large groups enemy troops there will be few if any . . . targets.

Tasks.

A. ChMAAG Vietnam function as joint operational commander with staff personnel airlifted to Vietnam.

B. Army Airborne RCT airlifted from . . . to Tourane.

C. TF 77 cover landings US troops, attack enemy forces and supporting installations, provide direct air support Vietnamese ground forces and be prepared retaliate against ChiCom air.

D. USAF units deployed immediately. 1 fighter bomber wing and 1 interceptor sqn to Tourane. 1 fighter bomber sqn . . . and 1 interceptor sqn to Tan Son Nhut base near Saigon. 1 jet light bomber sqn . . . and 1 interceptor sqn to . . . . 1 medium troop carrier wing to Cap St Jacques. These USAF units attack enemy forces and supporting installations, provide direct air support Vietnamese army, provide intra theater airlift and be prepared defend against ChiCom air and retaliate against ChiCom air bases.

E. 2500 army specially trained officers and noncoms air lifted immediately to Vietnam as advisors.

F. 2 marine RLT in amphib shipping moved to Vietnam immediately, 1 to Saigon and 1 to Cam Ranh Bay.

G. Army . . . bn . . . airlifted to Saigon or Tourane to provide visible evidence US support.

H. US amphib lift for 3 Vietnamese divisions kept available in Saigon area.

I. Other SEATO forces support opns.

Preparatory measures include selecting and training army advisors, training selected Vietnamese in exploiting air and naval support conduct combined SEATO trng exercises, prepare move tactical air control parties and prepare for early deployment US forces for ground delivery . . . .

Above will reduce capability defend Japan.

Above concept will not seriously disrupt military stature in other areas and presents good prospects success. . . . will not be great factor in fight against Vietminh alone. Forces required essentially the same whether or not . . . used. Communist conviction US intervention in event aggression best possible deterrent such aggression.

329. Telegram From the Commander in Chief, Pacific (Stump) to the Chief of Naval Operations (Burke)[1]

Honolulu, June 1, 1956—7:05 p.m.

020505Z. Your 301549Z May.[2]

1. I concur in the principle of the Vietnamese defending as far north as possible but seriously doubt their ability to make an effective defense in the Tourane area unless allied ground reinforcements can be introduced by D-plus seven. Although considerable progress is expected [illegible word] Vietnamese forces within next year, it is estimated that the Viet Minh will retain a numerical superiority on the order of at least two to one. A flanking attack through Laos is therefore a constant threat but this is not likely to be a decisive factor due to rainy season west of mountains until fall.

2. SEATO countries have yet to commit forces to the defense of this area. However, I belive it is optimistic to assume their total contribution will be more than the equivalent of one US division and minor naval and air forces and this only if the United States leads the way. Neither Laos nor Cambodia will contribute any forces except for their own defense and wouldn't be of much help if they did. ChiNat units could be considered available only in event of ChiCom intervention.

3. Even with outside help, other than US, Viet Minh ground force superiority is estimated at four or five divisions. This could be only partially offset by US Naval and Air Force support alone. The nature of the terrain, weather and Viet Minh guerrilla tactics will limit the effectiveness of naval and air support, with or without . . . weapons. Effectiveness of allied ground operations will also be handicapped by the limited opportunity to employ heavy weapons and equipment including . . . units.

4. Concept should be enlarged to provide for destruction of Viet Minh army by decisive action north of the 17th parallel. This can be accomplished by early amphibious assault in the Vinh area by US Navy and Marine forces and rapid expansion of the lodgement to cut Viet Minh LOC, seal off enemy forces to the south and prepare for further offensive to north to seize and occupy North Vietnam. Draft plan CINCPAC OP Plan 49–56 regarding [?] this concept forwarded 31 May to CNO.[3]

5. I estimate that a minimum of two US divisions will be required to initiate the operations envisaged in the concept as ex-

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[1] Source: Naval Historical Center, CINCPACFLT Microfilm Files, Reel TS 1956 3144. Top Secret. Passed to the MAAG in Vietnam on June 2 (022122Z).

[2] *Supra.*

[3] Not found, but see footnote 5, Document 335.

plained in para 4 above. Depending on success of initial operations, additional US forces may be requested to completely defeat and occupy North Vietnam.

6. I am sure that all concerned recognize that the effectiveness of the initial defense will be dependent on the timely introduction of US and allied forces with appropriate logistical support in the area of operations. The immediate availability of air and surface lift will be most critical factor.

7. Consider that principal US combat effort should be made in Vinh area. Do not believe that Cam Ranh Bay should be an initial defense area except for mobile support forces, unless Tourane cannot be held.

8. Subject to foregoing remarks and specific comments to follow I concur in your 301549Z May.

Task Alpha. Consider ChMAAG Vietnam should be designated as initial US ground operational commander supported by US Air Force and Naval forces under overall direction of CINCPAC. A SEATO command should be organized earliest in which case ChMAAG Vietnam would be the logical SEATO ground command in Vietnam. In order to retain US control, consider CINCPAC most logical choice for overall SEATO commander.

Task Bravo. In considering the use of Army troops ashore, I have a feeling that Congress will not allow US Army forces to be committed in Vietnam but might permit Marine forces to be so committed. I say this because the powerful [?] political repercussion on the American people would be less with the use of Marines than it would with Army troops.

Task Elmo. In any consideration of the effectiveness of Vietnamese forces, we must realize that none of their military leaders have had any experience or training above the battalion level and relatively few even as high as company level. Therefore, I concur it will be absolutely necessary to make a great increase in military army advisers, to furnish advice and guidance from the division down through the battalion command levels and possibly, in many cases, company levels. These advisers must arrive at the earliest date. They should be ear-marked as part of US participation and be ready to proceed on short notice by air. In this concept, we should remember that the Viet Minh, on the other hand, have been organized by divisions at the time when the French were fighting on battalion level and, therefore, possess the experience and a capability not possessed by the Vietnam Army.

Task Foxtrot. Believe at least one Marine RCT should be deployed rapidly to Saigon to bolster Vietnamese morale and will to fight, ensure security of that vital area and protect US lives and property. However, Marine forces should deploy as air-ground task forces as nearly as practical. A Marine force of one division-wing size should be prepared for amphibious assault at Vinh at earliest date about D-plus thirty days. Composition of Vinh assault force would be determined by best utilization of amphibious lift in Pacific.

Marine air support for landing would use Tourane and other airfields and carriers as available.

Task Hotel. All available US amphibious lift in Pacific will be required for initial deployment US forces and early assault at Vinh. Principal Vietnam Army units committed to defense of southern area of South Vietnam should be deployed there in advance. Vietnamese are not capable of large scale amphibious assault but could be used as follow up forces using administrative lift. Preparatory measures. These should include means to logistically support US and indigenous forces for sustained operations from the onset. Planning should include use of facilities in . . . and Guam.

9. In the event US ground forces are not made available for operations in Vietnam, US Air and Naval forces only in support of the Vietnamese would be insufficient to accomplish the stated objective "destruction of Viet Minh Army and enabling Vietnamese to take control of all Vietnam" and the defeat of the Vietnamese would probably follow. If US ground forces are committed to the defense of Vietnam they must be in numbers sufficient to ensure the early defeat of the Viet Minh and reinforcements should be prepared to be moved into the area quickly in the event of ChiCom intervention.

10. I agree completely with the last sentence of your msg. Further, I believe that in case of Viet Minh aggression the ChiComs should be told that the ChiComs may expect attack from US forces if they intervene or assist Viet Minh. While in a democratic country like the US an aroused people will force their government into war, such is not the case in a Communist country, leaders of which will permit a war to start only if they think they can win, or if they think they can consolidate their power within their own country. Therefore, an attack against Communist China by US or ChiNat forces if necessary to carry out our threat will be a "limited war" unless the ChiCom and Soviet Governments desire a general war. They would use such an attack only as a pretext for a war they otherwise desired in the first place.

330. Telegram From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to the Commander in Chief, Pacific (Stump)[1]

Saigon, June 4, 1956—1:31 p.m.

040531Z. MAGCH 3837. Reference 022121.[2] While preparing detailed comments on your answer to CNO[3] will give you my first and immediate reaction to CNO message to you. Will follow detailed study, soonest.

A. The assumption made is hazardous. ChiCom reenforcement by individual or unit could be easily accomplished without our early knowledge. There are Cambodians, Laotians and Chinese in Vietnamese forces and undoubtedly in ChiCom forces. These races are difficult to distinguish at sight even by natives. I believe ChiCom volunteers will march, at least in Vietminh uniform, at first sign of American intervention to secure North Vietnam while Vietminh invaded south.

B. Support forces to arrive in few days is most essential to success.

C. Fight cannot be won by outnumbered Vietnamese in present state of organization, strength and training. What other Asians are counted upon? Certainly not from Cambodia, Laos, and Thailand. Perhaps a regiment from the Philippines.

D. Any attack across the 17 parallel will be coupled with infiltration through mountains to west and along both sides of the Laos border, an area very thinly populated by a mountaineer race, a border poorly marked and more poorly guarded. Such forces probably bypass or turn any defensive position long held north of Tourane. Even if Tourane line is made impregnable it can be turned by movement to west and then south with hostile debouchment into high plateau vicinity of Kontum and north thereof. A highly strategic area. East and west roads in this area are practically nonexistent and interest in them only lately aroused in Vietnamese. Terrain favors north and south movement as contrast to east and west movement to intercept.

E. . . . battalion deployment at Cam Ranh Bay, Saigon and Tourane is not understood. There probably be no fighting at Saigon or Cam Ranh Bay in early stages that would present suitable targets.

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[1] Source: Naval Historical Center, CINCPACFLT Microfilm Files, Reel TS 1956 3144. Top Secret; Noforn. Marked "Personal for Admiral Stump from General Williams."

[2] Date-time of transmittal to MAAG in Vietnam of Document 328.

[3] *Supra.*

F. Agree there will be few . . . targets other than troops. Due to heavy growth of jungle on plateau and mountain, troop targets will be very hard to locate. However, air delivery north of 17 parallel probably profitable for road destruction. Low ceiling during certain periods and resulting poor visibility must be taken into serious consideration in all air plans.

G. Joint Staff airlift would need be very fast, communications and logistical units also. Have only 2 or 3 MAAG officers that can work on plans due to primary duty. Vietnamese communications, military and civilian, inadequate for peace much less war.

H. Additional advisors should speak and read Vietnamese or French as current number of interpreters barely adequate. Must come fast and win confidence of Vietnamese who have had sad combat experience with French officers.

I. Doubt need Marines at Cam Ranh Bay. Same for Saigon unless merely to show the flag.

J. Preparatory measures should include earmarked Chief of Staff and few key Staff Officers located Hawaii, due MAAG ceiling, to develop detailed plans, making frequent reconnaissance trips to Vietnam. Should have Washington Saigon unmistakeable agreement all Vietnamese forces come under joint operations commanders command at first shot.

K. Heartily concur in last sentence CNO message.

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331. Memorandum From the Department of State Representative on the National Security Council Planning Board (Bowie) to the Secretary of State[1]

Washington, June 6, 1956.

SUBJECT

Defense Presentation: "Capability to Deal with Local Aggression in Vietnam"—NSC Agenda, June 7, 1956

Background

1. In the review of NSC 5501[2] last fall, one of the basic issues isolated by the Planning Board for an intensive study was the problem of local war.

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[1] Source: Department of State, S/P–NSC Files: Lot 62 D 1, NSC 5519 Series. Top Secret. Bowie was also the Assistant Secretary of State for Policy Planning and the Director of the Policy Planning Staff.

[2] NSC 5501, "Basic National Security Policy", January 6, 1955, is not printed.

In order to deal with local war, NSC 5501, as adopted in January 1955, called for highly mobile U.S. forces suitably equipped for local war, including atomic capability, but not dependent on use of atomic weapons for effective action. The Planning Board considered it essential that the U.S. forces should be sufficiently flexible so that a decision to intervene would not automatically mean a decision to employ nuclear weapons. NSC 5602/1[3] in general reaffirms the necessity for ready mobile units with selective and flexible capability and not inevitably dependent on tactical nuclear weapons. (See paragraphs 15 and 16 of NSC 5602/1 attached.[4])

2. The Planning Board was not entirely satisfied that such mobile and flexible forces were receiving the amount of attention and resources which they deserved. In order to enable the NSC to determine whether this was the case, the Planning Board recommended that the Department of Defense should make a special presentation of such U.S. capabilities using Vietnam as a test case.

Purpose

3. The Defense presentation will be most useful to the NSC if it is organized to clarify:

a. Whether the U.S. has sufficient mobile striking forces in an adequate state of readiness;
b. Whether there is air lift available to move such forces immediately;
c. Whether these forces have been organized, trained, and equipped for local war conditions in vulnerable local areas;
d. Whether they have capability for conventional combat in situations in which it may be unfeasible to employ nuclear weapons;
e. What principles will govern any planned use of nuclear weapons in local war situations; targets, restrictions, political and military objectives.

Prospect

4. No papers have been circulated, and Defense is closely holding the substance of its presentation. The essential elements involved present peculiarly difficult service issues in the roles and missions of forces and in the allocation of budgetary and manpower resources. There is some reason to believe that the presentation may stress the particulars of the Vietnam situation at the expense of a basic review of U.S. local war capabilities. In addition, it may be designed to overturn the existing policy which would enable decision regarding use of nuclear weapons to be made at the time in the light of political and other factors.

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[3] NSC 5602/1, "Basic National Security Policy", March 15, 1956, is not printed.
[4] Not attached to the source text.

5. A previous Defense–JCS study, submitted to the Planning Board on September 15, 1955,[5] estimated that *with the use of atomic weapons,* two to four U.S. divisions would be required for a period of a few months to one year "to check aggression", with a longer time needed to clear out the Vietminh back to the 17th parallel. The study estimated up to eight U.S. divisions would be required, for a period of time which could not be estimated, to destroy Vietminh forces and take control of North Vietnam. The fourth U.S. division would not achieve readiness until D+180 and would not be available in the area until D+225. That study did not make clear how atomic weapons would be employed nor what practical effects their non-use would entail.

Recommendation

6. That in the discussion of the Defense presentation—

a. You attempt to have clarified the basic elements enumerated in paragraph 3 above as indispensable to subsequent determinations of U.S. policy and strategy with respect to areas which may become the objects of local aggression;

b. You resist any effort to obtain a decision that would make U.S. forces incapable of effective action in local war without nuclear weapons, or would commit us to their use without regard to political considerations.

Robert R. Bowie[6]

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[5] Printed as an enclosure to Document 254.

[6] Printed from a copy which bears this typed signature.

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332. Memorandum of Discussion at the 287th Meeting of the National Security Council, Washington, June 7, 1956[1]

Present at the 287th NSC meeting were the President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Acting Secretary of Defense; and the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Attorney General (participating in the action on Item 2); the Special Assistant to the President for Disarmament; the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission (participating in the action on Item 2); the Director, U.S. Information Agency; the Under Secretary of State; Assistant Secretary of State Robertson; Mr. Edmond C. Hutchinson, Bureau of the Budget; the Chairman, Joint Chiefs of Staff; the Chief of Staff, U.S. Army; the Chief of Naval Operations; the Chief of Staff, U.S. Air Force; the Commandant, U.S. Marine Corps; the Secretaries of the Army, the Navy, and the Air Force; the Director of Central Intelligence; the Deputy Assistant to the President; Special Assistants to the President Anderson and Jackson; the White House Staff Secretary; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC. Also attending this meeting were the members of the NSC Planning Board, as follows: Robert R. Bowie, Department of State; Gordon Gray, Department of Defense; Jarold A. Kieffer, Office of Defense Mobilization; Andrew N. Overby, Department of the Treasury; William E. Foley, Department of Justice; Robert E. Matteson, Office of the Special Assistant to the President for Disarmament; C. E. Nelson, Atomic Energy Commission; Maj. Gen. F. W. Farrell, USA, Joint Chiefs of Staff; and Robert Amory, Jr., Central Intelligence Agency.

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[1] Source: Eisenhower Library, Whitman File, NCS Records. Top Secret; Eyes Only. Drafted by Gleason on June 8.

There follows a summary of the discussion at the meeting and the main points taken.

[Here follows discussion of item 1. "Significant World Developments Affecting U.S. Security."]

2. Capability To Deal With Local Aggression in Vietnam (Memo for NSC from Executive Secretary, subject: "U.S. Policy in the Event of a Renewal of Aggression in Vietnam", dated September 16, 1955;[2] NSC 5602/1; Memo for NSC from Executive Secretary, subject: "Basic National Security Policy", dated February 13, 1956;[3] NSC Action No. 1522–c[4])

Mr. Anderson reminded the Council of the considerations which had led to the presentation on the reference subject, and then called upon Admiral Radford to present his report. (A copy of Mr. Anderson's brief is filed in the minutes of the meeting.[5])

Admiral Radford described his presentation as one dealing with the capabilities, "with or without atomic weapons", of U.S. ready military forces to deal with local aggression in Vietnam. He next ran through the assumptions which had been made for the purpose of this presentation, and followed this with an outline of the present military situation in Vietnam, both in the North and in the South. He next covered the principles governing U.S. participation, the concept of operations, force deployments and tasks, preparatory military steps, supplementary actions, and implications. In summary and by way of conclusion, Admiral Radford said he wished to stress that the United States was in a position to intervene on the side of Free Vietnam along the lines outlined in his report, without serious disruption in other areas and with good prospects of success. He also desired to point out that initially the forces required, whether or not atomic weapons were to be used, would be essentially the same, since there were no known fixed military targets in North Vietnam that could not be destroyed by conventional bombing. On the other hand, if concentration of Viet Minh troops provided an atomic target, the use of atomic weapons might end the aggression very rapidly. If the Chinese Communists intervened openly, all this would change. Our air forces would of necessity use atomic weapons against Chinese air and logistic bases at once. Admiral Radford closed with the statement that when U.S. forces were deployed rapidly in such situations as the one described in Vietnam, they must be prepared to defend themselves or to take offensive action immediately with atomic weapons. Without such an assumption, our military deployments, if not to be of the emergency desperation type which characterized the Korean intervention, would of necessity be larger and much slower. (A copy of Admiral Radford's report is filed in the minutes of the meeting.[6])

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[2] Document 254.

[3] See footnote 3, *supra*.

[4] Partial text of NSC Action No. 1522 is in *United States–Vietnam Relations, 1945–1967*, Book 10, pp. 1051–1053.

[5] Not found.

At the conclusion of Admiral Radford's report, the President turned and asked the members of the Council if they had any questions to ask.

Secretary Dulles replied that he thought the presentation had been admirably handled. It was not only encouraging from a military point of view, but indicated that assistance to Vietnam against external aggression was well within the political capabilities of the United States. Thus, continued Secretary Dulles, we could anticipate assistance from the contingents of the Thai, Filipino, Australian, New Zealand, and Pakistani armed forces. He was more doubtful of British and French military participation. Admiral Radford said that he agreed with this estimate of Secretary Dulles, but added that in any case the United States would not desire French participation, and the main objective would be to assure Asian military participation with the United States in helping Vietnam or any other Southeast Asian state to resist external aggression. Admiral Radford added that the British would almost certainly provide naval assistance if such a contingency arose.

Turning to Admiral Radford, the President inquired how far our military people were making plans with Prime Minister Diem against the contingency of aggression against Free Vietnam. Admiral Radford replied that we had not as yet done any military planning with the Vietnamese. He thought, however, that permission should be given to our military people to sit down with Diem's military people and devise plans for resisting aggression. At the present time the Vietnamese authorities entertained genuine doubts as to whether the United States would actually intervene to assist Vietnam if it were the victim of Communist aggression. They fear that the United States might take the stand that aggression by the Viet Minh was simply a civil war, although such a notion, said Admiral Radford, had never even occurred to him. Briefly discussing possible invasion routes which would be used by an invading Viet Minh army, Admiral Radford reassured the Council that the present military dispositions of the Viet Minh indicated no current intention to launch any large-scale military aggression. Moreover, said Admiral Radford, they would be very foolish indeed to attempt such an aggression.

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[6] Admiral Radford's report is printed *infra*.

Secretary Dulles observed that if the peoples of the area of Southeast Asia could have any idea of the nature of the discussion which was now taking place in the National Security Council, the effect of such knowledge would be altogether revolutionary. It would, in fact, change the whole attitude of these nations. Secretary Dulles realized how hard it would be to convey an idea of the nature of this discussion without raising serious problems of security. Nevertheless, if such knowledge could filter to the governments and peoples of these Southeast Asian countries, it would revive hope and confidence and would constitute a very great deterrent to aggression and war.

Admiral Radford pointed out that U.S. military officers in the Far East were constantly being shifted as their tours of duty ended. He recommended that before new replacements were sent to the Far East, an opportunity should be provided to these new commanding officers to visit those areas of South Vietnam which in the course of his report he had indicated would be the areas to which U.S. forces would be deployed in the event of a Viet Minh aggression against Free Vietnam.

The President asked Admiral Radford why General Williams in Vietnam could not arrange for our officers to visit the sites he had mentioned. Admiral Radford said that of course General Williams could make such arrangements, but that if he did so the facts would presently become public knowledge. The President replied by stating that some additional evidence of U.S. concern for the independence of Vietnam might be usefully conveyed by the appearance of these officers. Admiral Radford agreed heartily with the President's point, but indicated that the terms of the Geneva Agreements on Indochina prevented our sending in additional military personnel. The President's advice was to take out an orderly temporarily and put a colonel in his place (laughter).

Secretary Dulles asked the President whether he could call on Assistant Secretary of State Walter Robertson to make a brief comment on the matter of using atomic weapons which had been alluded to by Admiral Radford in his report. The President agreed, and Secretary Robertson stated that of course all the members of the National Security Council would agree that the use of atomic weapons in Asia would have the very gravest impact on public opinion throughout Asia, and that we would not resort to the use of atomic weapons in that area except in the gravest of situations.

Admiral Radford replied that he certainly could not be included in the group which would subscribe to the view just presented by Secretary Robertson.

At this point the Acting Secretary of Defense, Mr. Reuben Robertson, pointed out that he had not long since had several hours of conversation with Prime Minister Diem, and would like to indicate to the Council some of the points he had learned as a result of these conversations. He said that, in the first place, he shared Admiral Radford's feeling that Prime Minister Diem was very uncertain about the willingness of the United States to interven to assist Vietnam in the event of external aggression. He was very anxious that in our program of economic assistance we devote resources to improving roads and communications, particularly lateral roads in the northern area of Free Vietnam.

Secondly, up until now Diem had been adhering to the French plan to meet a Viet Minh aggression. This French plan did not contemplate an immediate defense on the 17th parallel, but a withdrawal of the Vietnamese forces when the attack was launched, from the 17th parallel to the area of Tourane. Now, however, Diem has embraced the U.S. concept of a vigorous defense at the 17th parallel.

Thirdly, Acting Secretary Robertson also agreed that if the Vietnamese had any idea that we would surely back them up in the event of aggression, it would have a most revolutionary effect on their thinking and on their courage.

Finally, as to the problem of atomic weapons raised by Assistant Secretary of State Robertson a moment ago, Acting Secretary of Defense Robertson said he had had some discussion of this problem with the leading officials . . . not long since. They had been enormously impressed with . . . evidence of atomic capabilities. . . . . Diem had likewise shown no concern with respect to the possible use of atomic weapons in resistance to Communist aggression. He shared the view . . . as to the great value of a show of strength.

In response to Acting Secretary of Defense Robertson, the President wondered whether we could not send some Nikes to Southeast Asia equipped with small atomic warheads.

After further comment and discussion by the President on the purely military tactics of resisting a Viet Minh invasion, Governor Stassen said that he would like to comment on this matter of "a show of strength". He believed that if it was at all possible, the United States should strongly suggest that the future of Asia rests with those Asian countries which were allied with the West. This he believed was the kind of psychology it was desired to instill in this area.

Acting Secretary of Defense Robertson stated his belief that if it could somehow be contrived to introduce some American colonels, or other American officials of high rank, into those sites in Vietnam to which U.S. forces might be deployed in the event of aggression, such a course of action would have the tonic effect which Secretary Dulles had commented on at the conclusion of Admiral Radford's report.

The President replied that he of course had been facetious in suggesting that orderlies be withdrawn and colonels substituted in their place. Nevertheless, he was earnest in his belief that our military people should discreetly indicate that the United States has an active interest in the area of Free Vietnam. This is the real point that we wish to get across, and it should be possible to devise methods by which our attitude in this respect could be made known. Acting Secretary of Defense Robertson stated that the Defense Department would certainly proceed to make plans along the line suggested by the President.

Mr. Allen Dulles then indicated that the intelligence community believed that the greatest threat at the moment to Free Vietnam was the soft position of Laos and the weakness of Cambodia. Laos was divided, and Cambodia had embarked on a neutralist policy. These facts exposed Vietnam to possible invasion through Laos or Cambodia at some future time.

The President replied that, as everyone knew, he was all for helping countries which are determined to maintain their own independence. He too doubted whether the Viet Minh would attack Free Vietnam through the narrow corridor along the sea and across the 17th parallel. If they undertook to invade, the Viet Minh would probably march down along a broader front through Laos.

Mr. Allen Dulles then commented on the fact that we had not had a Minister or Ambassador in Laos for some considerable period now and, in view of the situation, should make every effort to get one there as soon as possible. Secretary Dulles replied that unhappily the last one had returned as a sick man and a casualty. The capital, Vientiane, was a terrible diplomatic post, with no sanitary facilities, no decent drinking water, or other elementary necessities. The President said, with a smile, couldn't we at least ship out spring water? Secretary Dulles, also with a smile, replied that the President's suggestion had severe budgetary implications (laughter). Secretary Dulles then indicated that he would have an able Foreign Service Officer in Vientiane not later than mid-July.

Acting Secretary of Defense Robertson then expressed the hope that the United States would undertake to repeat other operations modeled on the very successful Firm Link. He indicated that this was the strong recommendation of both the Thais and the Filipinos.

At this point Mr. Anderson asked the President whether he wished to have the Record of Action indicate a request to our military people to undertake joint planning with their Vietnamese opposite numbers and, furthermore, that our military take steps to indicate the firm interest of the United States in the continued freedom of Vietnam.

The President replied by expressing doubt as to whether the suggestions he had made along this line actually could lend themselves to inclusion in a formal Record of Action. Rather, the President said, what he had in mind was a "series of little things" done by our military people and other representatives, rather than a broad and formal course of action. For one thing, the President added, we must avoid making commitments to Vietnam that we are in no position to carry out. After all, the President said smilingly, the Council should not forget that this Administration may not be here in Washington after next January. Mr. Anderson said that he would try to draft an action in line with these ideas of the President. The President said he wanted Admiral Radford to concur in any proposed Council action on this subject. Further, Mr. Anderson must be sure that the action gave our military people the needed leeway and yet imposed the needed caution.

Admiral Radford pointed out that there was always a danger that if we do undertake joint planning with countries like Vietnam in the military field, their people think these plans constitute an actual positive commitment on the part of the United States to carry out such plans.

The President then turned to Secretary Dulles and inquired of him how far the Administration was authorized, under the SEATO Treaty, to intervene with military force to help resist aggression on short notice and without resort to Congressional authorization.

Secretary Dulles replied that the President could do this in a few hours if it should prove necessary, but that he strongly recommended consultation with the Congress if the Congress were in session at the time the aggression occurred. He cited the appropriate portions of the SEATO Treaty which he said had become the law of the land, but repeated his view that Congressional authority should be obtained, if it was readily available, in the event of the emergency.

The President expressed agreement with the view of the Secretary of State, and said that this would give a little more leeway to our military people in their planning, though we must carefully guard against the spread of any idea that we are sitting down to plan a war with our friends in Vietnam or anywhere else.

Acting Secretary of Defense Robertson noted the limits on the numbers of our military people in Vietnam, which were imposed by the Geneva Armistice Agreement. Under the circumstances, he wondered if Secretary Dulles felt that there would be any merit, in the light of the known build-up of Viet Minh military forces in defiance of the Geneva Agreements, for the United States following the same course of action that it had earlier followed in the area of the Formosa Straits. By this, said Secretary Robertson, he meant getting the advance approval of the Congress for intervention in the event of external Communist aggression.

Secretary Dulles said that he was opposed to Secretary Robertson's suggestion. He said he believed that the conditions in Vietnam were not at all comparable with those in the Taiwan area. In brief, the United States could not portray any immediate danger of military aggression against Free Vietnam, as we had been quite justified in fearing in the case of Taiwan.

The President commented that in any event Chou En-lai keeps repeating that the Chinese Communists are going to take Formosa, by military means if necessary. Nothing quite comparable to this has been said by the Viet Minh with reference to South Vietnam. Admiral Radford expressed agreement, but said he must point out that some sort of tense situation might develop between North and South Vietnam around the first of next July, when the elections were scheduled to take place under the Geneva Agreements, but which, of course, Free Vietnam refused to be bound by. The President added that he was not worried. Congress would still be here at that time, adding, facetiously, he was "sorry to say".

The National Security Council:[7]

a. Noted and discussed a presentation on U.S. capabilities, referred to in NSC 5501, to deal with local aggression in Vietnam in accordance with the provisions of current policy (NSC 5602/1). The presentation was made by the Chairman, Joint Chiefs of Staff, for the Department of Defense pursuant to NSC Action No. 1522–c.

b. Noted the President's view that it would be desirable for appropriate U.S. military authorities:

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[7] The following paragraphs and note constitute NSC Action No. 1571, approved by the President on July 9, the record copy of which is in Department of State, S/S–NSC (Miscellaneous) Files: Lot 66 D 95.

(1) To encourage Vietnamese military planning for defense against external aggression along lines consistent with U.S. planning concepts based upon approved U.S. policy.

(2) To discreetly manifest in other ways U.S. interest in assisting Free Vietnam, in accordance with the Manila Pact, to defend itself against external aggression.

Note: The action in b above, as approved by the President, subsequently transmitted to the Secretary of Defense for appropriate implementation.

[Here follows discussion of item 3. "MDA Program for Thailand".]

S. Everett Gleason

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333. Paper Presented by the Chairman of the Joint Chiefs of Staff (Radford) at the 287th Meeting of the National Security Council[1]

Washington, 7 June 1956.

BROAD OUTLINE PLAN FOR U.S. MILITARY PARTICIPATION IN THE EVENT OF VIET MINH AGGRESSION IN VIET NAM

This is a presentation of the capabilities, with or without atomic weapons, of U.S. ready military forces to deal with "local aggression in Viet Nam". Assumption is made that aggression in this sense is overt military action by Viet Minh forces against Viet Nam. The concept that I will present will cover only those operations directed towards stopping overt Viet Minh aggression south of the 17th Parallel. I will not attempt to cover subsequent operations that might be undertaken to retake North Viet Nam. While it is recognized that stopping Viet Minh aggression south of the 17th Parallel might well expand into operations for the destruction of the Viet Minh Army and the establishment of Vietnamese control over all of Viet Nam, the nature and scope of these operations would depend on the situation at the time and our estimate of the capabilities of the Vietnamese Army. If it appeared that with U.S. Naval, Air, and limited U.S. Army (MAAG) and logistical support the Vietnamese had the capability of retaking North Viet Nam, it is my hope that we would encourage them to do so. We would not want to deploy large U.S. ground forces in this operation.

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[1] Source: JCS Files. Top Secret.

For the purpose of this presentation, certain assumptions have been made. First, it is assumed that Communist Chinese military forces will not intervene on the side of the Viet Minh, except to provide aid in the form of supplies, equipment and advisors. However, the Chinese Communist military forces will pose a threat of intervention, particularly with their air power which must be recognized in our plans. A second assumption is that the Manila Pact will be invoked and at least several SEATO nations will furnish at least token forces to aid the Vietnamese. Such aid is highly desirable for psychological reasons and should be sought vigorously, but it is not expected that at least initially the contributions from these nations will significantly affect the military situation.

Military Situation

Now I would like to outline briefly the present military situation in Viet Nam.

a. Since the armistice agreements reached at Geneva in 1954, the Viet Minh Army has undergone considerable reorganization and its firepower has greatly increased. This increase in firepower has come about as a result of large-scale shipments of arms and equipment from Communist China in violation of the Geneva Agreements. It is presently estimated that the Viet Minh Army consists of 257,000 regular troops organized into 14 combat-ready infantry divisions, 2 artillery divisions, and the necessary supporting units. In addition, there are 41,000 regional and 75,000 popular troops. As yet the Viet Minh have no Air Force or Navy.

b. The Vietnamese Army consists of 156,000 regular troops organized into 4 field divisions, 6 light divisions, 13 territorial regiments, and supporting units. In addition, there are 75,000 to 80,000 men in South Viet Nam with previous military training who are available for induction. While much progress has been made in improving the effectiveness of the Army, there are still major weaknesses in leadership and tactical control of the combat units, and in logistics. Morale in the Army is good and, with more experience and training, over-all effectiveness will improve. South Viet Nam has only a small Air Force and Navy.

c. Except for miscellaneous troops numbering less than 300, the French military forces will be completely phased out of Viet Nam by the end of this month.

d. The Viet Minh ground forces have been organized and trained for a much greater period of time than have the Vietnamese and, as a result, still maintain an advantage in per unit effectiveness and the capability of defeating the unassisted forces of South Viet Nam. However, it should be pointed out that there are great natural difficulties confronting a major invasion effort by the Viet Minh. The terrain, with very few exceptions, naturally lends itself to defense. The paucity of North/South roads, the narrowness of the path of advance, and its vulnerability from the sea, present very formidable problems for any advancing force. Without air power both for reconnaissance and direct support of ground forces, an overt Viet Minh ground offensive in strength will be most difficult.

Principles Governing Participation

An objective of our National Security Policy is to deter possible local aggressions, or in the event such aggressions take place, to intervene swiftly and decisively, in a manner and on a scale best calculated to prevent hostilities from expanding and broadening into general war. In the event of Viet Minh military aggression against South Viet Nam there are certain fundamental principles which will govern the United States participation. First, to check the aggression it is most important that early U.S. support be provided, that this support begin within a matter of hours—and that certain essential units be in place within a few days at most. It is equally important that support from other SEATO nations be provided quickly and that these actions taken under SEATO be clearly announced in order that news of this outside support quickly becomes common knowledge to all of South Viet Nam and other countries in Southeast Asia. The quickness of support and the attendant publicity will firm up the spirit of the Vietnamese people so that they will fight with determination and confidence. They must be made to realize early that by the positive actions being taken the United States will back them to the hilt. But even more important from a psychological viewpoint will be the support from SEATO. For political reasons, victory should be won by the Vietnamese backed as much as possible by other Asians. What we should seek and attain is an Asian victory over Asians.

Concept of Operations

I would now like to outline the general concept of operations. In these operations it is intended that the Vietnamese Army, supported primarily by U.S. Air and Naval power, will carry the main burden of the defeat of the aggression. U.S. ground forces will be provided primarily to assist in the defense of vital areas in South Viet Nam, thereby both reducing the requirements for Vietnamese troops in security roles and providing them with a feeling of confidence that the security of these vital areas will be maintained. An important aspect is that these operations will be carried out in the presence of a friendly population, as contrasted to the situation facing the French. A further important facet of these operations is to provide specially trained U.S. advisors for duty with the Vietnamese Army. These advisors will be attached to the fighting units, not just at command headquarters. Previous experience has amply demonstrated the success of such provisions.

The Viet Minh aggression will probably start with a surprise attack across the 17th Parallel. The Vietnamese Army may be expected to make a hard fight in the area of Quang Tri. If this fight is unsuccessful, the Vietnamese should fall back to the hill mass to the northwest of the Tourane, where a resolute defense of the Tourane Base would be made. A successful defense of this vital position is the key to the defense of South Viet Nam. Before the time the Vietnamese have fallen back to this vital position, U.S. support in the form of specially trained U.S. ground forces, with atomic support, should be in place at Tourane. The timely arrival of these forces is essential. In addition, other U.S. ground forces will be air and surface lifted to support the defense of Saigon and Cam Ranh Bay. U.S. Air and Naval Forces will launch attacks against Viet Minh military forces and supporting installations, and will be ready to give direct support to Vietnamese ground forces. Air operations by U.S. forces should commence within 24 hours after the start of the aggression. Once Viet Minh advance has been checked in Tourane area, preparations should be made to regain Quang Tri area and the highway to Laos.

A combined SEATO command should be organized as soon as possible, with representation by all the SEATO powers and with some responsible positions held by Vietnamese officers. (It is likely that Chief MAAG will be the Commander in Chief and our plans will include necessary augmentation of his staff.)

Force Deployments and Tasks

The U.S. and other SEATO forces to be deployed to Viet Nam and their tasks to carry out the concept of operations are as follows:

a. A U.S. Regimental Combat Team (with Honest John Missile Battalion) will be immmediately airlifted . . . to the Tourane Airbase to assist in the defense of this vital area. A second RCT should be alerted for air movement into Tourane on short notice.

b. The U.S. Navy Fast Carrier Task Force consisting of 3 or 4 Attack Carriers, with necessary supporting combat ships, will immediately proceed from its present station in the Far East to Viet Nam to cover the landings of U.S. ground forces, to carry out attacks against Viet Minh military forces and supporting installations, to provide direct air support to the Vietnamese Army, and to be prepared to retaliate against their airbases if the Chinese Communist Air Force intervenes. Establish Naval blockade of North Viet Nam. Patrol coastal waters of North and South Viet Nam.

c. The following U.S. Air Force units will be deployed immediately . . . to the bases indicated:

(1) 1 Fighter Bomber Wing and 1 Interceptor Squadron to Tourane Airbase.

(2) 1 Fighter Bomber Squadron, . . . and 1 Interceptor Squadron to Tan Son Nhut Airbase near Saigon.

(3) 1 Jet Light Bombardment Squadron, . . . and 1 Interceptor Squadron to Don Muang Airbase near Bangkok.

(4) 1 Medium Troop Carrier Wing to Cap St. Jacques Airbase.

(5) SAC units from Guam will be deployed to Clark Field on standby for possible operations against Chinese Communists.

d. Two additional U.S. RLT/RCT's will be lifted in amphibious shipping as soon as possible from Japan and/or Okinawa to Viet Nam to assist in the defense of Saigon and the Cap St. Jacques/Cam Ranh Bay areas. One or both of these RLT/RCT's may be landed at Tourane should the military situation so require. Assault shipping will not be required for this operation. It is estimated that by using administrative lift one RLT from Okinawa could be landed in about 10 days.

e. U.S. personnel as required to enable Chief MAAG Viet Nam to function as an operational commander, to be airlifted to Viet Nam. It is visualized that the Chief MAAG, with an appropriate staff, will become the commander of a combined SEATO command.

f. Specially trained U.S. advisory personnel will be airlifted immediately to Viet Nam for assignment as advisors with combat units down to the regimental level and as technical advisors with logistics support organizations.

g. Sea-lift for selected Vietnamese forces will be kept available in the Cam Ranh Bay/Cap St. Jacques area for use in transporting Vietnamese units as may be required and as a threat to the Viet Minh. Marine units will train Vietnamese units in amphibious operations.

h. Such ground, naval, and air units provided by other SEATO nations will be assigned appropriate tasks in support of the operations.

i. The necessary administrative and service support units required to support U.S. and allied operations will be moved in by surface shipping.

Preparatory Military Steps

1. Some of the preparatory military steps that must be taken in advance in order to be able to carry out these operations are:

a. Select and train U.S. advisory personnel to be assigned to the Vietnamese Army.

b. Special training for selected Vietnamese personnel, outside of Viet Nam if necessary, in U.S. methods of employing naval and air support in ground operations, and in amphibious operations. Instruction will also be provided in the special tactics and techniques of employing atomic weapons support.

c. Conduct combined training exercises with other SEATO nations. The "Firm link" exercise conducted in February this year in Bangkok was highly successful in demonstrating possibilities along this line.

d. Make preparation for the rapid movement of tactical air control parties and ground liaison, logistics and communication personnel to Viet Nam to insure an early capability for U.S. supporting operations. Similarly, preparations can be made for early deployment of special U.S. forces to provide a capability for ground delivery of atomic weapons.

e. Road systems should be developed to meet logistic requirements in support of military operations.

f. Prepare plans for the early deployment of air units to the area to include detailed targeting for initial strikes.

Supplementary Actions

In addition to the actions that I have previously set forth, there are other supplementary actions that may be required. Since Viet Minh aggression would violate and probably nullify the Geneva Convention, we should be prepared to augment the MAAG's and military aid programs in Laos and Cambodia. We should be prepared to occupy the Seno Airbase in Laos. The Thais should be urged to move troops to northeast border positions along the Mekong. The Philippines should be particularly urged to make a sizable ground contingent available (One RCT).

Implications

The deployment of U.S. forces from the Japan, Korea, or Okinawa–Formosa area will, of course, reduce our military capability in these areas. Depending upon the situation at the time, it may be necessary to replace the forces withdrawn from those areas. In order to provide logistic support for the forces deployed to Viet Nam in this operation, some construction may be required in Viet Nam. This construction would be largely in improved air base facilities and temporary storage facilities. Improvement in roads and some port facilities might also be required.

Summary and Conclusions

This is a broad presentation of the capabilities of the U.S. military forces to assist the defeat of aggression in Viet Nam. I would like to stress that the U.S. could intervene on the side of the Vietnamese in the manner and on the scale just outlined without serious disruption to our military posture in other areas and with good prospects of success. I would also like to point out that initially the forces required, whether or not atomic weapons are to be used, would be essentially the same since there are no known fixed military targets in North Viet Nam that could not be destroyed by conventional bombing particularly since we assume no air opposition. If concentration of Viet Minh troops provided an atomic target, the use of such a weapon might end the aggression very rapidly. If the Chinese Communists intervened openly, this would change. Our Air Forces would of necessity use atomic weapons against Chinese air and logistic bases at once.

I would close by saying that when U.S. forces are deployed rapidly in situations such as these, they must be prepared to defend themselves or to take offensive action immediately with atomic weapons. Without such an assumption, our military deployments (if they are not to be of the emergency, desperation type which characterized the Korean intervention) would of necessity be larger and much slower.

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334. Telegram From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to the Commander in Chief, Pacific (Stump)[1]

Saigon, June 7, 1956—3:01 p.m.

MAGCH 3874. 070701Z. Personal for Admiral Stump; General Williams sends. References: A. CINCPAC 022121Z, which passed CNO plan for defense of Vietnam.[2] B. CINCPAC 022122Z, which contained CINCPAC comments on plan.[3] C. MAGCH 3837, DTG 040531Z, which contained my initial reactions.[4]

Following are my detailed comments on JCS plan:

A. Basic assumption that ChiCom forces will pose threat of intervention leads to conclusion that threat will also be made against Korea and ChiNats probably pinning down the only important Asiatic support which could come to the aid of Vietnam.

B. Concur whole-heartedly that fight should be won by Vietnamese backed by other Asians; however, when faced with reality the concept appears to conflict with fact that Vietnamese under the present force ceiling will be outnumbered 2 to 1 by Viet Minh and that large scale Asiatic support would not appear to be forthcoming.

C. The hard fight in the Quang Tri area against attack should be encouraged. However, the 1 Vietnam division now located north of Tourane would unquestionably be badly mauled. Initiative at the onset, terrain, and disparity of forces makes this inevitable.

D. Tourane hill mass provides excellent terrain to deter or stop forces moving southward along coastal plain. However, theory of "absolute" defense this area believed to be somewhat fallacious and dangerous. At its narrowest, the frontage along these mountains is 40 miles of rugged jungle covered terrain. The western approaches are not accessible by road and could be easily turned by infiltration tactics of Viet Minh since the wide frontage would virtually preclude any effective degree security this area. Assuming 2 to 3 field divisions of the Vietnamese Army are committed to an all-out fight in the Quang Tri–Tourane area, and if, as is very likely, they are bypassed, contained or otherwise eliminated from the southward progression of the war, then the hard core of the Vietnamese Army will be reduced to holding a beach-head at Tourane. It is difficult to visualize Viet Minh attacking south without well laid plans to rapidly infiltrate large numbers of troops along the protected jungle routes, well inland, where they could eventually debouch in the plateau area north of Kontum and thence part of their forces commence lateral movement to contain any forces committed to the defense of the Tourane hill mass. Commitment of only 1 RCT United States troops in this area would hardly alter the situation.

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[1] Source: JCS Records, CCS 092 Asia (6–25–48) (2). Top Secret; Priority. Repeated for information to CNO. Some of the garbles in this message have been corrected by reference to a text in Naval Historical Center, CINCPACFLT Microfilm Files, Reel TS 1956 3144.

[2] Document 328.

[3] Document 329.

[4] Document 330.

E. Not clear here exactly how forces contemplated in this plan will be enabled to take control of all Vietnam. With United States contributing the equivalent of 1 division of ground troops, the Vietnamese limited to present force basis and slight help to be expected from other Asiatics, the problem of initially stopping and then destroying the Viet Minh field army and then taking over all Vietnam appears somewhat academic. 6 to 8 United States divisions with proper logistic forces would be a more realistic estimate.

F. An important factor which should be remembered is the xenophobia throughout Vietnam which may bolster northern morale and somewhat weaken southern morale upon the intervention of the "Western colonialists". Ho Chi Minh will again claim to be fighting to drive out the foreigners and Diem will be called the "puppet" of the West. Psychological factors which induce the will to fight such as his well known xenophobia will require the most careful consideration. An additional one is the effect of the proposed stationing of a Marine RLT in Saigon. This might well backfire by raising in Vietnamese minds the question as to why United States troops are positioned so far from the fighting. An implication might also be drawn that we expect the war to move rapidly to the Saigon region. On the other hand, it would be well to pass over Saigon whenever possible large numbers of aircraft as evidence of United States modern power that is being brought to bear at critical points.

G. Amongst the tasks listed, that of maintaining United States amphibious lift for 3 Vietnamese divisions in the Saigon area is not understood. The purpose of stationing such a valuable force in the Saigon River, 4 hours from the open sea via a very difficult channel and for which pilots are scarce, is not clear. Cape Saint Jacques area would be better.

H. Strongly concur in concept of selecting and training United States advisors. Language difficulty alone would appear to negate the possiblity of using Vietnamese for air and naval gunfire coordination and it is assumed that the required TACPS, and naval liaison and gunfire spotter teams would be included in 2500 specially trained United States personnel as well as personnel for a JOC.

I. Communications are and will be critical. Contact with field units will be difficult to establish. Equipment and operators will be needed so that direct communications between United States headquarters and United States advisors in the field can be maintained without going through Vietnamese channels.

Following are my comments on CINCPAC observations:

A. Agree with general principle of paragraph 1, but feel the likelihood of flanking attack through Laos somewhat greater than implied. Rainy season in mountains and on plain are in opposite seasons and one or the other will be wet. The light forces capable of moving through the jungle [garble] roads would be able to move during wet or dry weather.

B. Concur in paragraphs 2 and 3. It may be noted, however, that the Vietnamese troops are still relatively untrained for major operations so that the numbers comparison with the Viet Minh is not necessarily sound. The lack of Vietnamese training, field command structure and logistic balance in effect increases the Viet Minh superiority above the 2 to 1 ratio.

C. Reference paragraph 4, strongly concur that decisive action which strikes at the heart of the problem is highly desirable.

D. Agree that at least 2 divisions of United States troops mentioned in paragraph 5 will be required, but if rapid development in the north is expected, additional United States forces are certainly needed.

E. Agree with your paragraphs 6 thru 10 except for Marine deployment to Saigon. See paragraph 1F above.

The analysis of the problem presented by the JCS reemphasizes to me the importance of building in South Vietnam an indigenous ground force stronger than now contemplated.

335. Letter From the Chairman of the Joint Chiefs of Staff (Radford) to the Commander in Chief, Pacific (Stump)[1]

Washington, June 14, 1956.

Dear Felix: I am inclosing for your information a copy of the "Broad Outline Plan for U.S. Military Participation in the Event of Viet Minh Aggression in Viet Nam" which I presented to the National Security Council on Thursday, 7 June.[2] This plan incorporates my concept of operations for the defeat of Viet Minh aggression south of the 17th Parallel. This concept is, in general, the same as I discussed with you during your recent trip here. I also discussed this plan in considerable detail with Mike O'Daniel, who concurs in the concept set forth in the plan.

The plan was quite well received by the National Security Council and was approved by the President. Implementation of this decision is now underway by the Joint Staff, and a planning directive[3] is being prepared which will incorporate the concept of operations contained in this Outline Plan.

I have seen both your comments on my plan[4] and a draft of your plan (CINCPAC 49–56)[5] and note there are basic differences in the two concepts which I am sure you will recognize. Since your plan will, in effect, be overtaken by the planning directive to be issued you as a result of the decision by the President, I think it would be desirable to give you some of the thinking behind this plan, and certain additional information not contained in my presentation.

This plan is designed to be implemented on a very austere basis, and with forces immediately available in WesPac. This is a point that I am quite concerned about since it has been my experience that unless you keep a critical eye on them, your staff logistic people will come up with a plush set of logistic requirements, particularly in supporting troops. This will apply not only to U.S. forces, but also to the Viet Nam forces. An example of this type of thinking is the statement made by Taylor during our discussion of this plan, that the three RCT's would require a division slice of 40,000. We must learn to conduct this type of operation with tailored forces and on a minimum support basis, and this applies particularly to indigenous forces.

Another aspect of this concept which is most important and does not appear in the presentation, is that of having the commanders of the RCT's that are earmarked for this operation sent to Viet Nam to look over the terrain and to acquaint themselves with the tactical setup. They should be accompanied by their staffs and the battalion commanders, and should be authorized to discuss tactical problems and plans with the Vietnamese commanders. Similarly, the air unit commanders should familiarize themselves and their staffs with the bases to which they may be deployed. Not only would this provide invaluable information to these commanders, but the impact on the Vietnamese would be tremendous.

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[1] Source: JCS Files, CJCS 091 Indochina. Top Secret.

[2] Document 333.

[3] Memorandum from the JCS to CINCPAC, July 11, 1956; cited in Spector, *The Early Years*, p. 272.

[4] See Document 329.

[5] Not found. For a discussion of CINCPAC 46–56, the contingency plan as adopted in the fall of 1956, see Spector, *The Early Years*, p. 272.

I have seen Williams' comments on the Outline Plan (ChMAAG Vietnam 070701Z June[6]) and if this really represents his considered thinking on the military aspects of this area, I have grave doubts as to his ability and as to his being a proper representative in this important area. His comments are typical of the "requirements" type of thinking that is giving us so much trouble everywhere. I won't attempt to comment on his message other than to say he has completely missed the point of the concept. I intend to discuss this whole matter with you in detail when you come back here next month.

I am delighted that you were able to revise the date for the Cubi Point commissioning and am looking forward to being there.

Sincerely,

Raddy[7]

P.S. Any action you initiate as a result of this letter should come from you and not using the letter itself. I am really giving you this for your personal use because I felt that the Navy Brief of my concept was not a good one.

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[6] *Supra.*

[7] Printed from a copy with this stamped signature.

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336. Letter From the Acting Assistant Secretary of Defense for International Security Affairs (McGuire) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)[1]

Washington, 21 June 1956.

Dear Walter: In a letter of 1 May 1956,[2] Deputy Under Secretary Murphy restated the basic terms of reference for the Temporary

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[1] Source: Department of State, Central Files, 751G.5–MSP/6–2156. Secret.

[2] Document 321.

Equipment Recovery Mission (TERM) Viet-Nam, and requested a reply from the Department of Defense summarizing our views on the subject.

The Department of Defense agrees with the views of the Department of State regarding the functions of TERM, namely:

(a) Supervising the recovery (identification, inventory and accounting control) of MDAP equipment in Viet-Nam, including outshipment of excess; and

(b) Assisting in the improvement of Viet-Nam logistic capabilities.

We have been concerned over the apparent desire of the International Control Commission to exercise detailed supervision of TERM operations. Such control, if permitted, would jeopardize the entire operation and provide the Communist members with valuable information on Vietnamese military operations. Therefore, the TERM responsibilities of preparing information for submission through the Vietnamese Government to the Commission should at most be limited to (a) general summaries on outshipment and inshipment and (b) brief statements regarding numbers and names of U.S. military personnel assigned to TERM.[3]

Prior to the arrival of the first contingent of TERM approximately $100 million of MDAP Indochina assets had already been shipped from Viet-Nam. In establishing the basic records, it is most important that the United States be credited with this amount. Such credit will provide a basis for shipments into Viet-Nam within the provisions of the Geneva Agreements of 1954.

Although the establishment of TERM meets the requirements for American military logistic personnel in Viet-Nam during the coming months, there is still a deficiency of military personnel for combat training. The Chief, MAAG Viet-Nam, in submitting his minimum requirements last February asked for approximately 300 military personnel in addition to the numbers authorized for TERM. We recognize that it would not be appropriate at this time to add the combat training officers to the present MAAG strength. It may become necessary some time within the next twelve months, however, to reconsider this entire problem.[4]

One half of the 350 military personnel authorized for TERM are now in Viet-Nam. The remaining two contingents will be sent to Viet-Nam in early July and early August. The Chief MAAG has informed us that the provisions regarding the wearing of civilian clothing wherever practicable are in effect.

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[3] General Williams' views on these matters are set forth in his memorandum to Ambassador Reinhardt dated June 3. (Center of Military History, Williams Papers, Memos to and from Ambassador 1955–1956 (6))

[4] Next to this paragraph is a marginal note in an unidentified hand which reads "Next request coming up."

I suggest that the administrative questions raised in Mr. Murphy's letter of May 1 be jointly considered by appropriate representatives of our two departments as soon as possible. Our office is prepared to meet with your representatives on these matters as soon as you wish.

Sincerely yours,

Perkins McGuire

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337. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, July 9, 1956—8 p.m.

92. Joint Embassy/USOM message. Subject: New GVN land reform program.

1. Tuesday afternoon, July 5, Barrows and I were summoned to presidency to participate in discussions new GVN program for purchase from landowners and distribution to tenants of approximately one million hectares rice land South Vietnam. Present on Vietnamese side in addition to Diem were Chau, Tho and Ladejinsky.[2]

2. President opened discussion by announcing that after considerable study he had concluded GVN should launch program to buy and sell to tenants on crop credit terms substantial portion agricultural land South Vietnam. He pointed out that South Vietnam, unlike Central Vietnam, is a region dominated by large landholders. Most peasants who actually farm land are tenants so poor and propertyless as to constitute real proletariat. Many landlords on other hand are indifferent to rights and wishes tenants and have in past taken almost feudal attitude. Even today difference in outlook between landholders and tenants has created atmosphere tension and hostility making it virtually impossible to apply terms existing land reform regulations defining landlord–tenant relationships. Landlords generally dissatisfied with regulations giving them only 15 to 25 percent crop. On other hand, in many areas landlords could not personally collect any rent without risking their lives.

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[1] Source: Department of State, Central Files, 851G.16/7–956. Confidential.

[2] Ladejinsky had resigned as a USOM consultant and was a consultant on land reform to the Republic of Vietnam.

Diem's appraisal this situation, based to considerable degree upon examination problem by bis [?] lead to conclusion that only solution is land purchase and distribution.

3. Diem then asked Tho outline government plan. Tho gave statistics showing that in South Vietnam 45 percent of land, or nearly one million hectares in properties 50 hectares or larger distributed among 6,000 owners. At other extreme 183,000 owners having each 5 hectares or less possess total 262,000 hectares, or 12-1/2 percent. Government proposes set maximum limit for land holdings somewhere between 60 and 200 hectares, final limit to be determined by GVN study commission. All holdings in excess limit will be bought by government under proposed distribution program. Estimate this will make available 750,000 to one million hectares.

4. GVN estimates price from 15,000 to 5,000 piasters per hectare. Average figure 7,000 piasters per hectare used in estimating total cost program 7,000,000,000 piasters or US $200,000,000. Will pay landlords 10 to 15 percent in cash (letter from Tho to Barrows, July 6,[3] and Diem's presentation to Vice President Nixon[4] raises this to 15 to 20 percent), remainder to be paid in negotiable government securities redeemable ten to fifteen years. Tenants expected pay for land in five years but will be charged no interest. Landlords will be paid interest on outstanding bonds at rate not yet determined.

5. Tho concluded presentation by asking US loan or grant of 10 to 20 million dollars to finance down payments under program. (This figure increased in July 6 letter to Barrows and in letter to Vice President[5] to 20 to 30 million dollars.) Tho also asked for some form US guarantee of the proposed securities.

6. In response Diem's introductory statement, I expressed agreement with objectives President seeks achieve and said US has long felt that well-conceived and well-administered land reform program involving the redistribution of land ownership would be desirable politically and economically. In course Tho's presentation, however, I raised certain questions which plan seems to leave unanswered. I asked, for example, whether price to be paid by farmer expected cover administrative expenses program. Gained impression that it was not. I asked whether government's calculations showed that farmers who received land would have enough income to pay for it at average cost 7,000 piasters per hectare in five years. Using farmer estimate rice yields, a little arithmetic showed that plan might take

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[3] Not found.

[4] See *infra.*

[5] A text of the memorandum handed Vice President Nixon on July 6 is enclosed with despatch 7 from Saigon, July 12. (Department of State, Central Files, 851G.00/7–1256)

50 percent farmers crop. This problem was disposed of by statement that these details would be worked out by government commission.

7. I then asked what use the GVN would make of the dollars if provided. Tho said at first unable grasp the question. He said that they will support payments to land owners. We then explained that the landlords would receive piasters whereas the aid or loan, if provided, would be in dollars. How would the dollars be used to generate piasters or offset effect their use? Tho said they will be put in bank.

8. We then pointed out it would be hard justify loan dollars in such case and said that under ordinary circumstances dollars would have to be spent for additional commercial imports. Since this seemed inconsistent with GVN recent criticism aid program,[6] we asked whether GVN willing to link landlords down payments to use for importation capital goods. Ladejinsky objected, evidently on ground would make plan unacceptable most landlords, and recommended use dollars for commercial imports.

9. As discussion progressed, Diem again stated his reasons for feeling the program necessary and talked at length of inequities of feudal land holding system in the south. He recalled number instances harsh and unjust actions by landlords and of the hostilities they had provoked among tenants. Said that as early as 1950, rural proletariat in richer parts Mekong delta had become focus Communist sentiment.

10. In conclusion, Diem indicated would present paper to Vice President outlining plan and requesting financial assistance. I said we could not comment on possibility obtaining additional aid or a loan for this purpose but believe that when a complete and practicable plan had been worked out, it should be possible to resolve monetary and budgetary problems.

11. In conversation with Vice President July 6, Diem made much the same presentation as in meeting reported here. Only significant

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[6] The reference is to criticism expressed in an undated memorandum by the Vietnamese Ambassador in Washington which was left with the Department on June 19. Ambassador Chuong criticized the U.S. aid program for its alleged dependence on importation of consumer goods into Vietnam. He suggested a new emphasis on local, Vietnamese-controlled industrialization; specifically he requested two sugar mills, a vegetable oil processing plant, a cotton mill, a fertilizer plant, two paper mills, and a team of experts to survey hydroelectrical power. A text of the memorandum is in telegram 4171 to Saigon, June 27. (*Ibid.*, 751G.5–MSP/6–2756)

After querying Diem about the memorandum, Reinhardt reported to Washington that it did not represent the clear and considered views of the Government of Vietnam. Reinhardt added, however, that Chuong's criticism and call for industrialization had wide appeal in South Vietnam. To the American Ambassador's mind, such a theme was economically dangerous and inconsistent with the main line of action of the economic policy of the Government of Vietnam. (Telegram 45 from Saigon, July 3; *ibid.*, 751G.5–MSP/7–556) new idea was that Diem said he wished announce land reform on July 20. Hoped therefore have our answer to request for assistance before that time.

12. Diem also gave Vice President memorandum this subject. Copy being forwarded separately.

Reinhardt

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338. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, July 9, 1956—9 p.m.

95. 1. Vice President visit Saigon went off according to plan (Saigon's 38 July 3[2]) except that inclement weather rendered impractical overflight Caisam resettlement project. Govt and people very pleased with visit, and today's press full of laudatory comment being reported separately. Vietnamese particularly impressed by Vice President's informal and cordial manner which they feel good omen for continuing friendly relationship between two countries.

2. In private conversation with Vice President afternoon July 6, Diem mentioned in passing importance of developing industrial capacity of country as well as good use he could make of augmented military forces, but he devoted major part of interview to exposition of his new plan for agrarian reform which had been subject of previous day's conversation with Barrows and me (Embtel 92[3]). He handed me Vice President's memorandum on subject which is being forwarded by pouch. Apart from slight amendments of details, principal differences in plan as presented July 5th and July 6th were that total US assistance requested was now from twenty to thirty million dollars, and Diem expressed desire to be in position to announce project on July 20. Vice President expressed sympathy with plan in principle but added technical feasibility and details would of course have to be discussed by two govts.

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[1] Source: Department of State, Central Files, 033.1100–NI/7–956. Confidential.

[2] Telegram 38 from Saigon, July 3, contained a detailed schedule for Vice President Nixon's trip to South Vietnam.

Nixon's visit to Vietnam, July 6–7, was part of a larger Far East trip, the primary purpose of which was to attend the tenth anniversary celebrations of the Government of the Philippines. After leaving Saigon, Nixon traveled to the Republic of China, Thailand, Pakistan, and Turkey. Documentation on the trip is *ibid.*, Conference Files: Lot 62 D 181, CF 729A.

[3] *Supra.*

3. When I saw Diem this afternoon, July 9, he reiterated his gratification at Vice President's visit and expressed deep appreciation for President's message[4] which he said had given him and Vietnamese encouragement for future.

4. I raised with him subject of agrarian reform project and suggested plan to make announcement by July 20 was unfeasible. Although I felt sure Washington would be sympathetic to project in principle, nevertheless much more detailed and exhaustive study of problem and method of implementation would be necessary. Both preparation of such study as well as its analysis in Washington would take some time. I added it was my personal feeling there was psychological advantage in not using July 2 [*20*] date for political pronunciamentos and that he could have no greater political success at moment than an uneventful and serene July 20. Finally, I suggested that new agrarian reform law which would have far reaching economic and social implications would be most appropriate subject for new Assembly to deal with. Reaction both here and abroad would be much better if such reform could be launched by legislature rather than by simple fiat. He did not argue point in principle but expressed misgivings as to new Assembly's ability to cope with such difficult problem in reasonable time. He admitted that July 20 was apparently not feasible date to announce agrarian reform project but left without comment my general suggestion July 20 was not best day for political pronunciamentos.

Reinhardt

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[4] Text of this letter, June 29, which was entirely congratulatory and ceremonial, is in telegram 8 to Saigon, July 2. (Department of State, Central Files, 711.11–EI/7–256)

339. National Intelligence Estimate[1]

NIE 63–56 *Washington, July 17, 1956.*

PROBABLE DEVELOPMENTS IN NORTH AND SOUTH VIETNAM THROUGH MID-1957[2]

The Problem

To analyze the current political, economic, and military situation in North and South Vietnam and to estimate probable developments through mid-1957.

Conclusions

1. We believe that the Communist "Democratic Republic of Vietnam" (DRV) will not attempt an open invasion of South Vietnam or a large scale guerrilla warfare effort during the period of this estimate because of the danger of US or possibly SEATO counteraction and because such action would prejudice Bloc emphasis on peaceful coexistence elsewhere. The Communist regime will almost certainly remain in firm political control throughout the period of this estimate, despite some passive resistance and serious economic difficulties. It will require continued large scale Bloc aid to make even limited progress toward developing a self-supporting economy. The DRV army will retain the capability of defeating the total forces of South Vietnam, Laos, and Cambodia. (Paras. 7–11, 13–16, 18–21, 64–68)

2. In South Vietnam, the trend toward political stability and popular confidence in the government will probably continue, barring a DRV invasion, large scale guerrilla action, or the death of Diem. Nevertheless, such contingent developments as intensified Bloc support for DRV objectives or reduction in Diem's international support could stimulate greater Communist subversive pressure, weaken the South Vietnam government's confidence, cause some loss of its public support, and revive opposition efforts for reconciliation with the north. (Paras. 35–39, 69–72)

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[1] Source: Department of State, INR–NIE Files. Secret.

[2] According to a note on the cover sheet, the following organizations participated in the preparation of this estimate: CIA; the intelligence organizations of the Departments of State, the Army, and the Air Force; and the Joint Staff. All members of the Intelligence Advisory Committee—with the exception of the representatives of the AEC and FBI who abstained, the subject being outside their jurisdiction—concurred in the estimate on July 17.

3. Progress toward resolving basic economic problems will probably continue slow, but economic conditions in South Vietnam are not likely to have serious adverse political effects during the next year, as rice production, rubber exports, and large scale US aid provide reasonable living standards. (Paras. 40–46)

4. All significant sect resistance in South Vietnam has been eliminated, but some 8,000–10,000 armed Communists and a Communist political network scattered through the villages continue to pose a serious internal security problem. The effectiveness of the South Vietnam army will probably improve gradually as more units are released from security missions for training, but by mid-1957 it will still be unable to contain a DRV attack for a prolonged period. (Paras. 47–56)

[Here follows the discussion section; for text, see *United States–Vietnam Relations, 1945–1967,* Book 10, pages 1068–1081.]

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340. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, July 21, 1956—8 p.m.

265. Joint Embassy/USOM message. Ref: (a) Deptel 109.[2] (b) Embtel 92.[3] (c) Embtel 95.[4] (d) Despatch 7, July 12, 1956.[5]

1. Further study land reform proposals presented by Diem to Vice President Nixon demonstrates clearly these proposals poorly conceived and poorly timed. Unfortunately their author failed inform USOM Director or me soon enough beforehand to influence either timing or content. We first heard of them . . . without being informed they would be presented to Vice President. Author admits GVN has not developed land reform program, yet we are faced with immediate request for $30 million U.S. dollar aid for land redistribution program which at best could not start being implemented in less than one year. Moreover, propriety use U.S. dollar aid to finance

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[1] Source: Department of State, Central Files, 851G.20/7–2156. Confidential.

[2] This telegram, July 12, reads as follows:

"State and ICA concur position you have taken re new land reform project including your statements to Diem on timing of announcement, possible role National Assembly this matter, and need for much more exhaustive study.

"Awaiting receipt GVN memorandum to Vice President and your further comments and recommendations." (*Ibid.,* 851G.16/7–956)

[3] Document 337.

[4] Document 338.

[5] See footnote 5, Document 337.

transfer land from one Vietnamese to another highly questionable, particularly at this time when joint U.S./Vietnamese program efforts are directed at maximizing economic development. Present proposals would require $30 million extra commercial imports to produce piasters needed to finance down payments to landlords by GVN. Ladejinsky himself opposed such use U.S. aid when employed by USOM.

2. Ministry Agrarian Reform has not been brought into picture and evidently will not be until future present Minister Thoi is decided. Thoi has stated to USOM Assistant Director Lavergne that he does not consider proposed plan adequately thought out, doubts its practicability, and said he would not wish be responsible for its administration. Has even asserted that Tho (his half-brother) does not really believe in program but has assumed responsibility for it out of loyalty to President. While some of Thoi's criticisms have merit, he is probably motivated in part by strong but heretofore withheld animosity towards Ladejinsky. (Ladejinsky, who worked with Thoi for more than year while serving as land reform advisor on USOM staff, has long criticized and mistrusted Thoi and has recently criticized him openly. Whether this accounts for President's lack confidence in Thoi, Thoi feels he does not have President's confidence and that Ladejinsky's attitude is important factor this respect.)

3. Barrows discussed proposals with Tho calling attention fact that present Ministry Agrarian Reform is supported almost wholly from counterpart funds, but that in program review now underway VN authorities have accorded only second priority to continuation this support. Tho also was asked how GVN intended administer new program, urged that qualified person of ministerial rank, free of all other responsibilities, be assigned task directing program. Services offered of Price Gittinger, land reform specialist on USOM staff, and suggestion made that additional help be obtained from field project staff MSUG which has just completed study land reform organization. Budgetary and financial problem presented by land reform proposal also discussed briefly, with suggestion some financial assistance might be obtained from unprogrammed 1955 counterpart funds. Tho received these suggestions with interest and appreciation, indicated he did not know what permanent arrangements Diem would make for program but assumed that he (Tho) would continue to handle it for time being. Since then Tho has not asked for help either from Mission or from MSUG.

4. USOM representatives have also had several discussions plan with Ladejinsky since Vice President's visit. These conversations have confirmed fact that Ladejinsky indeed author of plan. He not only wrote letter presented by President Diem to Vice President Nixon, but I am satisfied he also conceived and sold basic idea to Diem first through Bishop Thuc and later directly. Ladejinsky recog-

nizes proposal is only outline and that much additional planning must be done to develop practicable program. In effort persuade GVN develop its ideas further, Ladejinsky recently wrote long memorandum to Tho outlining program of action and has had at least two conversations on subject. Thus far Ladejinsky's efforts have not been more fruitful than USOM's. Tho apparently has limited his action to assigning to one staff member of Ministry Economy without previous experience this field task preparing land reform statute based on reading similar laws other countries.

5. Tho confirmed fact GVN request for financial support land reform program is for aid in addition to that provided for regular military and economic purposes. Moreover, VN 1957 proposals now under review include no additional funds for support land reform even in VN economic program totaling $130 million.

6. Have explored tentatively idea linking funds for land reform to program capital imports. This could be done, for example, by depositing landlords' down payments in blocked accounts from which funds released only to pay for approved capital goods imports. GVN reaction this idea is somewhat vague but favorable according Chau's statement national aid committee meeting July 19 reported separately.

7. GVN officials have not given serious thought to fact that even with American aid for initial payments to landlords, proposed program will still constitute serious budgetary burden. On basis present sketchy program, it is impossible make firm estimates cost, but following items at least can be identified: (a) administrative expenses; (b) interest on bonds given landlords for amount of purchase price not covered by down payment (present plan seems count on paying interest to landlords but not charging interest to tenants); (c) losses on collection.

8. Notwithstanding all doubts and questions herein expressed, we face fact Diem has come forward with land reform proposals. He has made proposals contingent upon our financial support. If we refuse financial support, he will have good excuse for doing nothing this field. He may also be very much let down, because he very likely feels that in reacting positively to advice he has received from Ladejinsky, he has been doing what U.S. wishes. In circumstances, therefore, I believe we must give very serious consideration this request.

9. Apart from economic and administrative aspects, I am concerned over political implications of premature announcement of land redistribution program which may become only partially effective. I am, therefore, inclined to discuss subject once more with Diem before making definitive recommendations with respect to U.S. fi-

nancing, but would wish state U.S. Govt's position more or less as follows:

We are gratified GVN has determined to embark on land redistribution program and wish help in every way to make it both political and economical success. Should be recognized, however, that such program long-range and could only be implemented effectively after considerable preparation. From political standpoint much could be gained in clarifying issues and gaining public acceptance through parliamentary action. In any event we question political desirability premature public announcement.

From economic standpoint dollar aid requested would perforce augment commercial aid program since resulting piasters, not dollars, needed to assist financing land transfers. Moreover, since unlikely program could develop sufficiently as to require financing in less than year, we would prefer consider request from FY 1958 rather than FY 1957 U.S. appropriations. Also, we agree such financing would be more suitable on loan than grant basis and, as recently suggested by GVN, should be used for capital imports to assist in developing industry. Piasters to finance these imports to maximum extent possible should be derived from private investment to minimize inflationary impact on economy. We prepared finance administrative costs and work with GVN toward development such program.

10. Please instruct.[6]

Reinhardt

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[6] In telegram 256 to Saigon, July 27, the Department and ICA instructed the Embassy to discuss land reform along the lines suggested in paragraph 9 of telegram 265 "in view possible adverse political repercussions denial" Diem's request for assistance in a land reform program. "However, you should avoid implying promise funds would be available from FY 1958 for effecting down payment on land transfer since as pointed out reference telegram [265] much more study will be necessary before we can reach definitive conclusion. . . . Careful attention should be given to not overcapitalizing land values, so that new owners can assure, under appropriate repayment schedules, repayment of loan on a basis that is economically sound. Grants to farmers would not seem appropriate in this context." (Department of State, Central Files, 851G.20/7–2156)

341. Memorandum of a Conversation Between the President of the Republic of Vietnam (Diem) and the Chief of the Military Assistance Advisory Group in Vietnam (Williams), Saigon, July 24, 1956, 10:30 a.m.–12:20 p.m.[1]

1. At 1030 hours, this date, General Williams was called to see the President. He was accompanied by Lt. Col. Usera as interpreter.

2. The President asked General Williams what he thought of the road situation after his trip. General Williams intimated that he was still of the same opinion as expressed in the last conversation but that he still felt there would be considerable difficulty in selling the program to USOM. The President remarked that the Minister of Public Works was now completely in accord with the paper as submitted to General Williams and he called attention to the fact that the Minister of Public Works had signed alongside the Assistant Secretary of National Defense. President Diem suggested that USOM should be interested in the proposed roads in view of the economic impact of these roads. As an example, he cited the fact that there was much unemployment in central Vietnam and that work on the project roads would give jobs to many of these unemployed thus relieving the situation, in addition to assisting in opening up new lands for cultivation.

3. The President then asked General Williams what he would suggest be taken up in a conversation with Admiral Radford.[2] General Williams suggested that the first thing should be the question of roads. Another question which General Williams suggested was the political situation in Laos and Cambodia which he felt was generally known in Washington, but to which the President could add much of his personal knowledge of particular situations as they affected Vietnam. A third suggestion made by General Williams was that the President also discuss the Force Levels including those of the Navy and Air Force. The last subject suggested by General Williams to be taken up with Admiral Radford was the matter of the Naval Arsenal at Saigon. The President made notes of these suggestions.

4. General Williams stated that he had three things which had been mentioned by CINCPAC which he would like to briefly discuss with the President. The first question was the desire of CINCPAC to send over within one or two months, some of the Unit Commanders who might be involved in command responsibilities in case of intervention by allied forces in Vietnam. These unit commanders and key staff members would discuss definite problems with senior Vietnam-

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[1] Source: Center of Military History, Williams Papers, Memos for Record 1956 (4). Secret. Drafted by Lieutenant Colonel Vincent Usera, USA, of MAAG, the interpreter.

[2] Admiral Radford was in Vietnam July 26–27 as part of a trip through East and Southeast Asia. See *infra*.

ese Commanders, on the spot, in order to arrive at a closer understanding of the problems involved. General Williams explained that this should come after the return of the reconnaissance teams presently in Vietnam. After these teams made their report, there would probably be planning undertaken in Hawaii and after these tentative plans were finished, then the commanders and their staffs would come to Vietnam to discuss them with the Vietnamese Commanders. The President agreed that this was desirable.

5. The second thing the General wished to bring to the attention of the President was the present planning figure of over 2,000 advisors for the Vietnamese Armed Forces in case of war. He explained to the President that this was based on similar proportion of advisors as existed in Korea during the active fighting in that country. The General also stated that these personnel would be trained here in Vietnam and then returned to their home stations where they would be available in case of war for immediate assignment within the Armed Forces of Vietnam. The President agreed to this concept.

6. General Williams then took up the third question posed by CINCPAC which was the matter of command relationship between the allied forces and the local Vietnamese forces. He explained to President Diem that the concept of a unified command was a long standing American military tradition. It had been accepted in World War I; it had been accepted in Africa and Normandy in World War II; it had been accepted in Korea in 1950. The General asked the President what he thought of this matter and the President answered that "in principle" he was in favor of a unified command but that he wished to see some sort of schematic plan for this command before accepting it in total. President Diem explained that it was necessary to look up [*at*] the matter from the viewpoint of morale and propaganda value in both South Vietnam and North Vietnam. He went on to state that just yesterday he had interviewed a group of priests and nuns who had just escaped ten days ago from North Vietnam and landed in Quang Tri. General Williams asked if they had given him any information and the President answered that the information was actually much better than he would have expected. He stated that in the case of the escape of this group they had had active assistance from the Secret Police and the Surveillance Police in North Vietnam. The President stated that the priests were all unanimous in their belief that the continuous naming of President Diem in the propaganda broadcasts of the Vietminh had boomeranged. As an example, the Vietminh propaganda line that President [Diem] had chased out the French only to replace them with the Americans had caused a great deal of favorable response from those hearers who were impressed with the fact that he had managed to shake off the French yoke. As a result, the President continued, Ngo Dinh Diem is

getting to be better known in the North than he is in the South. The President stated that he had questioned the women, who were simple country folk, as to the fidelity of the Armed Forces towards the regime and the women responded that the Armed Forces were pretty well indoctrinated and received such preferential treatment that it was doubtful if there would be any significant defection on their part. President Diem said that he questioned the priests as to what would happen if the Vietnamese were to make a raid, perhaps in Vinh, not with any intention of staying but only as a simple raid. He stated that the party all agreed that the population of Vinh would leave, en masse, with the Vietnamese soldiers if such an attack were to occur. The President went on to state that the matter of command relationship was therefore a delicate one which required consideration of the public reaction in North Vietnam as well as in Free Vietnam. He related that he was in favor of a unified command, in principle.

7. President Diem suggested that, if an allied attack came, it might be better to divert the attack towards Laos in order to outflank the Vietminh forces and threaten their borders. General Williams mentioned the fact that an allied force would probably be composed of Americans, Australians, Philippinos and other members of SEATO. President Diem called attention to the fact that the use of Siamese to attack through Laos would not be very wise. He felt that the Siamese soldier would have considerable difficulty in passing over the mountain barrier into the Vietminh territory. In addition, the President called the General's attention to the fact that the Laotians were very afraid of the Siamese and that the Siamese, if they ever came into Laos, would make trouble by looting and pillaging. He also remarked that the Siamese have a long standing claim to Laos which they consider ethnically a part of Siam and that once they entered Laos it might be difficult to get them out of there. The President went on to explain, at long length, how the Vietnamese for many centuries had protected Laotians against encroachment by the Siamese and the Chinese. He also pointed out that in 1884, when the French took over the Protectorate of Annam, the border was fixed at the Mekong River for Vietnam. Later, when the British incited the Siamese to attack in Indochina, the Vietnamese came to the assistance of the Laotians and drove out the invaders easily. At a conference in London in 1893, it was again established that the Vietnamese border would be the Mekong River.

8. The President mentioned the fact that Laos was showing a distinct tendency towards neutralism and that the United States Government should attack this problem diplomatically in order to keep Laos on the side of the Free World. He suggested that the best way to achieve this would be by getting Laos into SEATO and that,

as a bait, the United States Diplomatic Mission might use the development of the rich area about Savanna Khet. This area could be opened for development by the opening of the road from Dong Ha westward through Laos to Savanna Khet. He pointed out that in a country as poor as Laos this could constitute a real economic future.

9. General Williams mentioned that he had received several notes from the Secretary of Defense which were to be presented to the President, and that in one of them, he had noticed an error in facts. In the note relative to the reorganization of the Vietnamese Forces on the 150,000 level, there was mention of a decrease in artillery strength to six battalions whereas the truth of the matter was that the artillery would be increased and not decreased.

10. The interview ended at 1220 hours.[3]

Vincent Usera
Lt Col Inf
Advisor ARVN

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[3] Williams reported on this conversation in telegram MAGCH 4242 from Saigon to CINCPAC in Pearl Harbor, July 25 (259345Z). (Center of Military History, Williams Papers, TWXs 1955–56 (7))

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342. Memorandum of Conversations, Saigon, July 27, 1956, 4–7:05 p.m.[1]

[Here follows the account of a conversation between Admiral Radford and his party and Vietnamese officials.]

3. The Party departed from the Ministry of Defense at 1630 and proceeded to Independence Palace when the United States Ambassador joined the group prior to the interview with the President. The interview with the President began at approximately 1650 hours. Present were:

President Diem
Mr. Chau
General Ty
Admiral Radford
Ambassador Reinhardt
General Williams
Admiral Griffin
Colonel Hotchin
Lieutenant Colonel Usera (interpreter)

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[1] Source: Center of Military History, Williams Papers, Memos for Record 1956 (4). Drafted by Lieutenant Colonel Usera.

4. The President asked Admiral Radford if his trip had been a pleasant one and the Admiral responded that he had had a very fine flight. President Diem brought up the subject of strategic roads and he explained at some length the advantages of placing the primary emphasis on roads in the High Plateau in preference to the roads along the coast. He pointed out that the main advantage of the roads along the coastal plain (Route Number 1) was the fact that the population centers were on the coastal plain, but that the coastal plain was overpopulated and land was becoming very difficult to come by. Admiral Radford asked if there was no free land left and the President answered that he had distributed a small amount of remaining land among the refugees and that the only other land, outside of the High Plateau, was rocky and sandy soil which was not fit for cultivation. The President stated that industrialization of the coastal plain would solve this problem but unfortunately, there were no large mineral deposits available which would make industrialization possible in that area, therefore, the only answer was exploitation of the immense land area in the High Plateau. He called the Admiral's attention to the fact that the French since the end of World War I had aimed all of their policies at the exploitation of this area in the High Plateau. The President went on to explain that in the High Plateau, there were great possibilities for fruit trees, coffee, rubber, corn and even some rice area. Admiral Radford told the President that he would assist in every way possible in obtaining these roads for Vietnam. The President went on to point out the strategic advantages of the roads recommended by him and the overall importance of east-west roads which would open up highways westward towards the Plains of Laos and Thailand. He explained the French and Japanese pre-occupation within the same strategic concept which he considered just as valid for Vietnam.

5. President Diem stated that politically, Laos was in a precarious position of falling into the hands of the neutralists and that the United States must assist diplomatically in orienting the Laotians towards SEATO in order to permit Laos to [come to?] the defense of Southeast Asia. He pointed out that the Laotians were militarily insignificant but that their territory, if at the disposal of the free peoples, could be of great assistance. The President stated that if an attack were to be launched northwards, Viet Minh would undoubtedly use the "scorched earth" policy of moving the coastal population westward to the mountains and that these people, most of whom are Christians, would undoubtedly infiltrate through Laos towards South Vietnam. He also remarked that Laos, if it were on our side, would constitute a threat to the Viet Minh flank. Admiral Radford asked if relations between Laos and Vietnam had been normalized, and the President stated that just five days ago the two coun-

tries had agreed to exchanging diplomatic representatives and that the Vietnamese were presently trying to rent a building for the Legation at Vientiane.

6. Admiral Radford then asked the President what the situation was with his other neighbor, Cambodia. The President answered that the Cambodians were all capricious and historically were unfriendly to all of their neighbors. Admiral Radford asked if all of the Cambodians were capricious and the President stated that all their leading government personnel were capricious. He pointed out that Prince Shihanouk was suffering from a complex due to the fact that he knew he was not the legitimate successor to the Dynasty. In 1942 the French had placed him on the Throne instead of the rightful successor because the Chief of the French Sûreté in Indochina had felt that Shihanouk would be safer than the legitimate Heir and would not sell out to the Japanese. Shihanouk, he stated, was a demigod [*demagogue*?] who wanted to make himself popular with the masses because of his feeling of insecurity. The Prince had then decided to place his father on the Throne and he made himself the Prime Minister. Admiral Radford asked if the legitimate heir was still alive. President Diem stated that the legitimate heir was alive but that he had to cooperate with the usurping branch of the Dynasty because the only opposition was a party which was dedicated to the overthrow of the Dynasty and replacing it with a Republic. The President pointed out that Shihanouk was playing a very dangerous game and that he had accepted the aid offered by Red China thinking that he could play off Red China and Russia against each other while he benefited from aid both from Red China and the United States. In imitation of India, he had visited Peiping and was playing the neutralist game to the hilt. The President mentioned the fact that the money given by Red China had gone to assist mostly the large Chinese Colony in Cambodia and that the police in that country were hard put to control the activities of this Chinese element which contained a large proportion of Red Chinese sympathizers. Admiral Radford asked the President if he had any recent intelligence from North Vietnam and the President made mention of the group of thirty refugees led by several Catholic priests and nuns who had arrived in Vietnam some twelve days ago and whom he had interviewed at the Palace. He repeated the information given General Williams in the conversations of the 24th of July.[2]

7. President Diem brought up the subject of French Military Missions and asked Admiral Radford whether the Vietnamese could expect more assistance from the United States in this matter. General Williams explained to Admiral Radford that the President meant as-

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[2] See *supra*.

sistance in furnishing Navy and Air Force Advisers. The President agreed that this was what he meant. President Diem went on to explain that he was reluctant to have the French Missions in the Navy and Air Force because of the influence these people might try to exert. He pointed out that the Vietnamese had three hundred military students in France and that he had given orders for these students to finish their course but that no more students will go to France in the future. The President explained that the Viet Minh Cultural Mission in France was exerting considerable pressure against these students to obtain the services of this trained personnel and that he felt there was serious danger of indoctrinated elements remaining in the Vietnamese Navy and Air Force because of this indoctrination. The President stated that Ambassador Hoppenot had asked him recently why he requested a French Military Mission when he refused to send students to France. Ambassador Hoppenot asked the President whether it was his intention to keep the French Mission only long enough for it to be replaced by the Americans. The President stated that he told Ambassador Hoppenot that his reason for not sending students to France was because the Viet Minh were propagandizing these young sailors and airmen right under the noses of the French Security elements and that he did not desire to have sabotage in his Navy and Air Force. He pointed out to Ambassador Hoppenot that this was not a case of being anti-French; it was simply self-defense against communist machinations. President Diem told the Admiral that recently twenty-two graduates of large French Universities had been talked into going with the Viet Minh after they finished their technical education and that there had even been some of the Military desert to the Viet Minh. He felt that this situation was dangerous because there were in France a total of five thousand Vietnamese students who were receiving francs for their education in France and that this large number could easily harbor saboteurs and traitors amongst them.

8. President Diem stated that he wanted to have the French Missions under the control of the Chief MAAG and that he wanted to limit the French Mission to a period of six months but the French had refused to accept any period less than one year. He stated that since the negotiations were practically finished he would like to know if the Americans could furnish the Mission so that he could turn down the French. Admiral Radford stated that this was too late to do this at the present. President Diem asked whether it would not be possible to bring American civilians and attach them perhaps to the Air Vietnam for the purpose of training Vietnamese pilots. Admiral Radford stated that this was possible but he felt the situation would better itself as more and more students went to the United States for training and returned to Vietnam. General Williams asked

Ambassador Reinhardt whether he felt there was any hope that the ceiling of 342 could be ignored in the near future. The Ambassador stated that he felt sure this could happen sometime in the future but he called General Williams' attention to the fact that this ceiling was now 700 men.[3] General Williams explained to Admiral Radford and the Ambassador that ever since his arrival the Vietnamese have been anxious to get rid of the French Military and replace them with Americans but that we had always forced the Vietnamese into accepting French Naval and Air Advisers for some reason unknown to him and because of the unrealistic limit imposed by the Geneva Accords. General Williams turned to the President and stated that it was necessary, first of all that the Mission be limited to the least time possible and second, that supervision of the training be assured to make certain that the training was adequate. General Williams went on to say that this formula must be in black and white so that the French would not balk later on. Mr. Chau stated that the French would accept nothing less than one year for their Missions and that they had so stated on several occasions. Ambassador Reinhardt stated that Ambassador Hoppenot had agreed with him on the idea of a Committee chairmanned by the Chief MAAG as the controlling element for the Missions. General Williams repeated that it was necessary that this be clearly defined in any agreement or protocol arrived at. N.B. It is to be noted that the present Protocol for the French Military Missions does not contain any reference to this Committee controlling the Missions.

9. At 1905 Admiral Radford and his Party and Ambassador Reinhardt left Independence Palace to dress for dinner and return at 2030 hours.

Vincent Usera
Lt Col, Infantry
Adv to ARVN

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[3] Apparent reference to the combined MAAG and TERM ceiling of 692.

343. Memorandum Prepared in the Department of Defense[1]

[Washington, August 22, 1956.]

VIETNAM

Admiral Radford felt that the overall situation in Vietnam has continued to improve. President Diem and his top leaders are perhaps less aware of the progress made, and more sensitive to the problems still confronting them, because they live closer to the situation than an observer from far away. President Diem was energetic, talkative, and very friendly.

The internal security situation is basically good—about as good as it ever has been in the last ten years. Organized large-scale dissident groups have been broken up into small bands. In some ways, it might be said the situation is now about normal for the area. There usually has been some small scale strife with dissidents, bandits, and those in opposition to the Government.

The biggest single problem confronting President Diem at this time in Admiral Radford's opinion is the selection of properly qualified people who will serve him loyally. The background and education of President Diem have made this problem especially difficult.

The second biggest problem is the refugee problem—the caring for and relocating of refugees from North Vietnam in such a way that they will be able to care for themselves over the long pull and feel themselves identified with the country.

President Diem seemed more concerned about the dangers inherent in the situation in Laos than he was about Cambodia.

Admiral Radford felt some apprehension about the lack of contact between President Diem and the leaders of neighboring countries. President Diem expressed an interest in such contacts, but did not seem to know exactly how to go about establishing them.

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[1] Source: Naval Historical Center, Radford Papers, 333.1 Far East Trip 1956 (11). Drafter not indicated. This memorandum and its attachment are enclosures to a draft memorandum from Admiral Radford to Secretary Wilson dated August 22, not printed.

[Attachment][2]

I. MAAG Vietnam

From 1345 until 1510 on 26 July 1956, Admiral Radford and his party were briefed at MAAG Headquarters. Present were U.S. Ambassador Reinhardt; LGen. Williams, Chief of the MAAG; and members of their staffs. The briefing covered the Vietnamese Armed Forces and the Training Equipment Recovery Mission (TERM). The highlights of the briefing and the discussion are as follows:

The principal problems confronting the MAAG are (1) the self-imposed international ceiling of only 342 U.S. military personnel in Vietnam; (2) the recovery, relocation, and out shipment of excess matériel; (3) the reduction of the Vietnamese Forces to more acceptable levels; and (4) the Combined U.S.-French Training Mission (TRIM).

The overall Vietnam situation is one of improved stability together with a degree of internal security much improved over two years ago. French Armed Forces have been withdrawn, except for about 5,000. The Vietminh continue building up their strength in the North, and infiltrating their agents into the South. Some civil war with dissident sects continues, but is no longer regarded a serious threat. The sects are now considerably less powerful.

A new force basis for the Vietnamese Armed Forces totalling 170,000 has been proposed in lieu of the present level of 150,000.[3] One reason for the proposed increase is to make possible expansion of the Vietnamese Navy and Air Force. It was Admiral Radford's view that it probably would be all right for the Navy and Air Force to have more forces, but any such increases should come by means of adjustments made within the present force level of 150,000.

The French no longer are training the Army, but are still very influential in training the Vietnamese Navy and Air Force. In these two fields, French influence is considerably stronger than that of the United States. French authorities do not cooperate with U.S. officials, and are still reluctant to discuss or let us see MDAP equipment they have cached away. The inadequacy of French cooperation is one reason why the Vietnamese supply system cannot be made a great deal more effective.

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[2] Extract. The omitted sections include descriptions of Admiral Radford's conversations during his visit with Ambassador Reinhardt, General Williams, Vietnamese officials, and a number of members of MAAG Vietnam.

[3] This Vietnamese proposal, originating no later than the spring of 1956, had been strongly supported by General Williams. Documentation on this question is in Center of Military History, Williams Papers, Memos for Record 1956 (4), TWXs 1955–1956 (7) and Official Correspondence 1956 (8).

LGen. Williams confirmed that no Vietnamese students were in training in the Philippines. He understood the Philippines had run into real estate trouble, and that the costs per student would be too high to warrant sending them to that country. There were seventy-four now ready to go, but in the absence of facilities and in view of the costs, they were not going to be sent. His instructions from Washington were not to send any students to the Philippines.

Admiral Radford said there was something funny about this, and that he intended to follow up on it when he returned home. The Admiral outlined his discussions of this matter during his recent visit in the Philippines, and he made the observation that it could not cost any more to send a Vietnamese student to the Philippines for training than it does to send him to the United States. Admiral Radford suggested that LGen. Williams establish direct contact with MGen. Harper[4] and try to push the development of a major training effort for South East Asia into the Philippine Islands. President Magsaysay had been receptive to this concept. In addition, it would be advantageous to help bring these people closer together.

Admiral Radford asked about those Communist guerrilla activities in South Vietnam which had been made possible by introduction and support from the sea. Admiral Radford wanted to know why the Vietnamese could not stop hostile small boats. The Chief of the Naval Section said the Vietnamese now have two PCs, and in a few months they will have five. Their capabilities are improving, and it should not be too long before the Vietnamese could stop such traffic along the coast. Admiral Radford felt that with air-search to locate Communist craft, the craft could then be intercepted by a patrol boat and all such movement off the coast of South Vietnam would soon be stopped altogether.

As a final comment, Admiral Radford cautioned the senior officers of MAAG to remember that our requirements are really met when Vietnam is able to take care of its own internal security.

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[4] Joseph H. Harper, USA, Chief Adviser of the Joint U.S. Military Advisory Group in the Philippines.

344. Memorandum of the Discussion at a Department of State–Joint Chiefs of Staff Meeting, The Pentagon, Washington, August 31, 1956, 11:30 a.m.[1]

1. French Military Effort in Viet Nam

Admiral Radford opened the meeting by referring to the problem caused in Viet Nam by lack of French cooperation. He declared that in his opinion the French training missions there are hurting our cause more than they are helping it. They will not advise General Williams regarding activities they are actually carrying on, and neither General Williams nor his officers are allowed to visit French-controlled training areas. He said he is convinced that the United States must ready itself to take over all training in Viet Nam. Mr. Robertson expressed full concurrence with Admiral Radford's views on the lack of French cooperation in Viet Nam but raised the question whether we should break all ties with them there, having in mind that neither we nor the Vietnamese had signed the 1954 Armistice Agreement, and the French have certain responsibilities in Indo-China under that Agreement. Mr. Murphy pointed out that it is the Department's hope that the French will eventually decide by themselves to withdraw entirely and that the result we all want can thereby be accomplished without creating a situation under which the United States would be in a position to be blamed for forcing the French out.

Admiral Radford asserted that the arrangement proposed by President Diem for a defense committee is a good one,[2] and the French should not be blocking it.[3] Mr. Robertson inquired regarding the acceptability of a Vietnamese chairman for the committee, instead of General Williams as originally suggested. Admiral Radford replied that a Vietnamese chairman would be all right with him. He returned then to his earlier complaint that the French are not cooperating and emphasized that we "should tell them the facts of life". He went on to declare that the French are not sending any good people to Viet Nam any more and stressed that General Williams' position has been made quite embarrassing. He complained that our relations with the French are on an all-give and no-take basis and that most of our relations in Viet Nam seem to consist of providing the French with information they want. Mr. Murphy suggested that perhaps the French have about reached the state of mind in which they would be willing to leave Viet Nam entirely in so far as military activities are concerned. He expressed the opinion that it is perhaps a good time to review the situation both in Viet Nam and elsewhere with a view to having a further talk between State and Defense as regards our next moves.

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[1] Source: Department of State, State–JCS Meetings: Lot 61 D 417. Top Secret. The following note appears on the cover sheet of the source text: "State Draft. Not cleared with any of the participants."

Attending for the JCS were Radford, Taylor, Burke; Vice Chief of Staff of the Air Force, General Thomas D. White, and others; for Defense, Gray and Fox; for the CIA, Cabell and Wisner; and for the NSC, Gleason. Murphy and Robertson headed the Department of State contingent. In all, 25 persons attended the meeting.

[2] On August 11, Diem discussed with the French a plan for creation of a Committee for Instruction of the Vietnamese Armed Forces. The committee would have as its president MAAG Chief Williams, and would have three other representatives—one from MAAG, one from the French Military Mission, and one from the Armed Forces of Vietnam. The committee would be responsible for the overall direction of the training of Vietnamese armed forces. (Telegram 536 from Saigon, August 13; *ibid.*, Central Files, 651.51G/8–1356)

[3] An example of the French dissatisfaction with this proposed committee (which the French believed was American-inspired) is in telegram 788 from Paris, August 14. (*Ibid.*, 651.51G/8–1456)

[Here follows discussion of the Suez situation, MAAG advisers on the Chinese off-shore islands, Japanese labor relations with United States armed forces, Austrian force levels, and a recent plane incident off the China coast.]

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345. Editorial Note

On September 5, President Eisenhower approved NSC 5612/1, "U.S. Policy in Mainland Southeast Asia." A partially declassified text is printed in *United States–Vietnam Relations, 1945–1967*, Book 10, pages 1082–1095.

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346. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, September 17, 1956—noon.

938. 1. When Admiral Stump called on President Diem 14th latter said there were several projects he wished particularly to call to CINCPAC's attention and concerning which General Williams could fully inform him of President's views. These were 1) strategic and economic importance of construction lateral roads into PMS, 2) need

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[1] Source: Department of State, Central Files, 751G.5–MSP/9–1756. Secret. Repeated to Vientiane, Phnom Penh, Paris, and Bangkok and passed to CINCPAC.

to augment VN force level from 150,000 to 170,000, and 3) logistical shortcomings of VN armed forces which had been spelled out in VN general staff paper passed to General Williams.[2] In urging ambitional [*additional*] support for VN military establishment Diem developed at some length thesis that in present state of country problems of internal security, resettlement of refugees, development and settlement of abandoned lands, and effectiveness of military establishment were all inseparably connected.

2. Diem described his current anti-Vietminh operations being carried out by military and other forces which he admitted were more of psychological and police character than truly military. They were proceeding satisfactorily but would require some months for completion. Despite progress achieved, sight must not be lost of fact that internal Vietminh capability was still significant and much remained to be done.

3. Diem announced that agreement with French on Saigon arsenal had been signed 13th. This had entailed tedious negotiation and he had finally agreed to pay 319 million francs for certain French equipment. He had, however, insisted French accord him utmost liberality re terms of payment which remained undefined. He said Vietnam would need technical assistance in operation of arsenal, which he hoped could become self-supporting and capable of meeting VN construction requirements for junks and other small craft. Diem said he expected issue of French military missions to be satisfactorily resolved in a matter of days. Resolution of Seno Base arrangements would have to await return of Souvanna Phouma.[3]

4. With respect to Laos Diem expressed grave concern at Souvanna's policy of neutrality. Although conceding Souvanna's personal anti-Communism he felt Laotian Prime Minister underestimated and probably did not understand difficulties and dangers inherent in assimilation of Pathet Lao international community. He remarked that in contrast to Cambodians, Lao were nice people who did not seek to make trouble. He hoped new VN Legation in Vientiane could be helpful to Lao in problem of dealing with Vietminh and thought there might be other ways GVN could be of assistance as in economic field. He was sympathetic to Souvanna's desire that Tourane become an established outlet for Lao trade. This could be useful to both countries. It would also be logical and shortest route to supply

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[2] Not found.

[3] According to telegram 863 from Saigon, September 11 (which described the results of the September 8–9 official visit of Souvanna Phouma to Saigon), Laos had agreed in principle to retain the Seno base and airfield because of the American request that it be kept for strategic reasons. Language on the Vietnamese-Lao base agreement was not yet agreed upon. (Department of State, Central Files, 033.51J51G/9–1156)

Seno Base. He again reiterated his desire to obtain some written commitment from Souvanna that base would be available for "defense of free world" (he is quite stubborn on this point, which I will raise with him again when I next see him).

5. Diem stressed his belief that basis of present Lao attitude and policy of neutrality was fear—fear of Vietminh and Chinese, but also a measure of uncertainty regarding Thais. What troubled Souvanna most he felt was thought that, should Laos be invaded it would be matter of two or three weeks before effective foreign aid would arrive on scene. Diem reiterated several times conviction that most important thing U.S. could do at this juncture to help situation in Laos was to give RLG assurances of prompt support in event of aggression.

Reinhardt

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347. Memorandum of a Conversation, Department of State, Washington, September 25, 1956[1]

SUBJECT

Viet-Nam

PARTICIPANTS

Mr. Walter S. Robertson, Assistant Secretary for Far Eastern Affairs
Lt. General John W. O'Daniel, USA Ret., Chairman, American Friends of Viet-Nam
Mr. Paul M. Kattenburg, SEA

General O'Daniel called on Mr. Robertson following his return from a 3 weeks tour of Viet-Nam, August 17–September 7, 1956, undertaken at the personal invitation of President Diem. While in Viet-Nam General O'Daniel represented the American Friends of Viet-Nam. He was the guest of President Diem during his entire stay in the country and accompanied the President on several tours in the country and visits to projects and sites.

General O'Daniel, who had obviously been highly pleased at the reception given him in Viet-Nam, informed Mr. Robertson that in his view Free Viet-Nam was now entirely pacified and secure. The problem of the sects had been completely eliminated and the Viet-Minh's strength in Free Viet-Nam was rapidly decreasing. General

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[1] Source: Department of State, Central Files, 751G.00/9–2556. Confidential. Drafted by Kattenburg. Young, Kocher, and Robertson all initialed this memorandum, apparently indicating their concurrence.

O'Daniel had found district and local government officials throughout the country to be firm and alert. His overall impression was that "the ship of state was in running order; the only question was that of its direction."

Among outstanding new projects General O'Daniel had noted during his visit were (1) the extraordinarily successful Cai San refugee relocation project in the South, (2) the new agricultural college at Blau in the Plateaux area, (3) a vast new irrigation project in the Tourane area of Central Viet-Nam. During his travels, General O'Daniel had inquired from strategically-located American missionaries throughout the country as to possible undercurrents among the population. Their response had been uniformly that there were none, and that President Diem's government was growing increasingly popular.

General O'Daniel had had a three-hour session with the Vietnamese Cabinet at their request, on September 3, 1956. The meeting made it clear to him that the Vietnamese wanted U.S. technical aid in as large amount as they could possibly absorb. However, the Vietnamese Government wanted itself to select and hire American experts and wished to place them on the Vietnamese payroll. In other words, they wanted U.S. aid gradually to become a Vietnamese rather than an American project. It was also quite clear that the Vietnamese wanted U.S. private capital investment. Diem had provided General O'Daniel with two papers on this subject which the General had discussed with Ambassador Reinhardt in Saigon and which he passed on to Mr. Robertson.[2]

Mr. Robertson told General O'Daniel he was delighted that President Diem was interested in the possibility of private U.S. capital going into his country. This was an excellent way to ensure development of the country in rapid and effective fashion, and he favored it strongly.

General O'Daniel said that he wished to sound a note of warning if we were unreasonably slow in our aid programs to Viet-Nam, which was what the Vietnamese were complaining about. For example, we had been unreasonably slow in delivering road-building equipment. If we could not speed-up our procedures, we might well lose the gains that we had made so rapidly in the last year.

Mr. Robertson agreed that we had a very big stake in Viet-Nam and that we must at all times keep in mind that what we did or did not achieve in Viet-Nam would far transcend in importance the country of Viet-Nam itself, but would have a profound effect throughout the whole Far East. Mr. Robertson thought that one of our biggest problems wherever U.S. aid was required was the recruitment of qualified personnel. It was understandably extremely difficult to secure the kind of top-level experts that we really wanted in those countries, and yet the success or failure of the aid programs depended in large part on the people we selected to send out.

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[2] These papers were not attached to the source text. The text of one is attached to a memorandum from Wisner to Robertson, *infra*. Both papers are summarized extensively in a memorandum from Young to Robertson, October 1. (*Ibid.*, 751G.5–MSP/10–156)

General O'Daniel then told Mr. Robertson that he had been informed by Mr. Nguyen Huu Chau, Vietnamese Secretary of State to the Presidency and a close collaborator of President Diem, who had recently visited New Delhi, that Nehru had told Chau that the Vietnamese should "stick to the West for aid." Nehru had also indicated that the Indians were sending their technicians to West Germany rather than East Germany. Nehru had further dropped remarks to Chau implying that he did not trust Prince Sihanouk of Cambodia.

General O'Daniel next remarked that the Vietnamese felt their request to us for a raise in their force level from 150,000 to 170,000 men was justified on grounds of their great lack of adequate logistical support services in their armed forces. Mr. Robertson stated that we had a very serious Congressional problem to contend with in this respect. In view of the present trend of thinking in the Pentagon with regard to the effect of new technology and weapons on warfare and strategy, there was rapidly decreasing sentiment in Congress for large foreign aid programs. It was becoming increasingly more difficult to secure the needed appropriations. While Mr. Robertson agreed that Viet-Nam was essential to the free world's position in Southeast Asia, he wished to stress the realities of the situation with which we had to deal here, and one of these realities was that Congress was in no mood to raise aid, rather to cut it. Moreover, Mr. Robertson pointed out that aid was not simply given, but that aid given must be maintained, as for example the question of providing the necessary maintenance aid to the Koreans for the planes given them under the MDAP program.

In concluding the interview, Mr. Robertson thanked General O'Daniel for his highly interesting and encouraging account of the situation in Viet-Nam. We would remain fully aware of the needs of Viet-Nam and of its importance to the free world.

348. Memorandum From the Deputy Director, Plans, Central Intelligence Agency (Wisner) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)[1]

Washington, September 27, 1956.

SUBJECT

Possible Western Participation In Vietnamese Industry

1. Attached, for your perusal, is a special memorandum from President Diem to General O'Daniel, President of the "American Friends of Vietnam", who has just returned from a month's visit to Vietnam as the guest of President Diem. The sidelining is General O'Daniel's and it highlights those portions of the paper that pertain to the President's desire to invite private Western investment capital to assist in the development of Vietnamese industry, agriculture, etc. These same passages indicate certain legal and administrative concessions he is prepared to make to induce such participation by "venture" capital.

2. At the very least, it seems to me, we should bring this broad and non-discriminatory invitation to the attention of the French, British, Italian, West German and Japanese embassies here for transmission to their governments. Prior to such action, however, General O'Daniel (who received the memorandum in strict confidence from President Diem) requests that Ambassador Reinhardt in Vietnam be given an opportunity to express his own views on the paper—which General O'Daniel informally showed the Ambassador without President Diem's knowledge—and to ascertain President Diem's own views, since the latter has not as yet made any official announcement on the subject of foreign "venture" capital.

3. It is my belief that the action proposed above would benefit the United States in the following ways:

a. Although not personally too sanguine about the willingness of foreign and U.S. "venture" capital to invest in a new and recently disturbed area like Vietnam, possibility remains that there may be some favorable response to President Diem's invitation. Any such action by private capital may permit the U.S. Government to reduce to some extent the very heavy financial commitments for aid to Vietnam, which otherwise we apparently are going to have to carry for the forseeable future.

b. By our being "forthcoming" in this matter with certain foreign embassies, as suggested above, and particularly if some foreign private capital does venture into Vietnam, we can hope, thereby, to undercut the very popular and successful thesis and propaganda theme that U.S. Government assistance to under-developed countries is merely a cover for Yankee traders to come in and take over these countries, to the great detriment of the countries as well as to the established commercial interests of their erstwhile colonial masters. As you know, this line has been exploited and accepted by non-Communists as well as Communists—witness the French who have levelled the charge against U.S. efforts in Vietnam and elsewhere. In fact, in nearly every European country with colonial possessions, there are perfectly sober citizens who honestly believe and secretly fear that the U.S. is trying to accomplish just such a take-over of their interests abroad.

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[1] Source: Department of State, Central Files, 800.05151G/9–2756. Secret.

Frank G. Wisner

[Attachment]

Special Memorandum From the President of the Republic of Vietnam (Diem) to Retired General John W. O'Daniel

When last year, on the occasion of the inauguration of the Dong-Cam Dam, I presented to you the essential economic objectives of my Government, their realization seemed far away and subject to numerous difficulties.

Since then, we have survived victoriously our heavy trials. In the process we have achieved and strengthened our political stability, internal security, and national independence. We have taken active steps to create the political framework for a democratic Government. We are a Republic now. Our popularly-elected National Assembly is another step in that direction. The Constitution which is to govern our way of life will soon see the light of day. We are gradually finding the proper political means for assuring all citizens the right of free development and maximum initiative, responsibility, and spiritual life.

In retrospect, we have come a long way, but we have a much longer and harder way to go. We are confronted with the major problem of how to achieve a measure of industrial development in order to give meaning to the political structure we are in the process of erecting. We can survive as a nation only with a measure of industrial development commensurate with our resources and reasonable requirements. We look to the United States and to the Free World for assistance in this field. But whatever the degree of assistance, we must harness it to our own "will to develop," and we must mobilize our own means to the same end.

The increase in the national output, the technical equipment of the country, the reduction in the costs of production, and the resulting increase in everyone's purchasing power, such are, as you know, our principal tasks. Such are indeed the tasks which all the democratic nations are concerned with. Each of them understands that these ends will not be achieved by its own means alone; there is the full realization that international cooperation in this field is the logical and beneficent consequence of the solidarity of ideas and of the economic interdependence of this vast community called the Free World.

If VietNam, which has given proof of its determination and courage, can rightly count on this solidarity we nonetheless should, in return, take the necessary measures welcoming and protecting the legitimate interests of those willing to invest in our future.

We need investments to maintain and develop the economic potential of our country which, after a long period of destruction and disorder, has just recovered its balance. These investments must be encouraged and guided by the Government and appropriate legislation must be enacted.[2]

I call upon all capital holders, be they Vietnamese or of foreign origin, who are really interested in this country, and I urge them to take the risk of investing their capital in order to develop the productive potential of this country.[3] The Government is determined to encourage all investors on the condition that their aim is not merely to exploit the people of VietNam. The measures the Government is ready to adopt will be designed with an eye to stimulate and enlarge investment activities, and to make investments attractive.

I am opposed to nationalization and to any form of economic discrimination. Therefore, I need only refer to the statements I made on this subject last year.

In order to give effective protection to commercial and industrial property rights, the Government of VietNam will adhere to international reciprocal agreements and arrangements for the protection of such rights. The Government of VietNam is ready to negotiate with any country of the Free World reciprocal agreements giving to the citizens of the contracting country the same rights enjoyed by the citizens of VietNam.[4]

To facilitate the formation of investment companies, provisions will be made for the abolition of the incorporation fees, the abolition of the fees for the extension of the life of a company, for the changes in the company name and dissolution of companies, and, finally, exemption of fees in cases of company mergers or a company's increase of capital.

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[2] This paragraph was sidelighted by O'Daniel.

[3] This sentence was sidelighted and underlined by O'Daniel.

[4] This paragraph was sidelighted and the last sentence was underlined by O'Daniel. In the margin he wrote "Investments", as he did in the margin of the next paragraph.

In order that the invested capital make its maximum contribution to the country's productivity, the Government will grant income tax reductions or exemptions to industrial, agricultural, and mining enterprises. Favorable conditions will be created for the importation of capital goods or raw materials which are part of the investment effort. Terms governing the importation of goods for processing and their eventual export will be made flexible.[5] The formalities related to the granting of licenses will be eased in order to speed up the flow of imports. Custom duties will be reduced on the capital goods financed through the foreign exchange reserves of VietNam. They will be abolished if the importation of such goods is financed by the investor. Foreign capital will benefit from certain allocations and conditions for transferring profits, amortization costs, or repatriation of the investment.

On the other hand, in order to avoid the development of parasitic activities or of activities not benefiting the country, the Government will ask those who participate in the economic development and stand to benefit from it to submit their projects to the Planning Directorate which is charged with coordinating all developmental activities. Measures will be taken so that the initiative of the investors is not smothered by administrative procedures which are more concerned with formalities than with efficiency.

Such measures must further the effort already made by the Secretary of State for National Economy to reorganize the distribution system and to reduce the role played by the middlemen. These measures must also help us to protect our currency. Indeed it is not enough to fight against the black market; we must also check the rise in prices which has developed during the past few months. The resulting social claims bringing about a rise in wages again influence the prices, thus starting a race, the effects of which all modern nations dread.

To protect the effectiveness of the purchasing power of the workers, I give preference to a policy of steady wages in an economy where prices are stable rather than a competition between prices and wages of which the workers are invariably the first victims. Our worker organizations must understand this and must help us to lead the country toward a coherent and steady effort of production, while not mistaking social action for social agitation.

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[5] The first two sentences were sidelighted and underlined by O'Daniel and he wrote "Investments" in the margin.

349. Letter From the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Deputy Director, Plans, Central Intelligence Agency (Wisner)[1]

Washington, October 10, 1956.

Dear Frank: Referring to your memorandum of September 27,[2] on Western participation in Vietnamese industry, I certainly agree that everything possible should be done to encourage foreign private capital investment in Viet-Nam, both as a means of reducing our very heavy financial commitment for aid, and as a means of insuring the development of that country in the most rapid and effective fashion. I am very pleased to see that President Diem desires United States private capital investment in Viet-Nam and believe that he should be encouraged to take effective steps leading to such investments becoming an actuality.

Approximately two months ago we learned that the Vietnamese were considering the enactment of a foreign investment law and feared that, in view of the ultra-nationalistic tendencies among certain Vietnamese officials, such a law if enacted at the present time might contain restrictive features which would discourage rather than encourage foreign investment. In our telegram 525 to the Embassy in Saigon[3] we suggested that it would be wiser at the present time for the Vietnamese to proceed on an ad hoc basis contracting with each potential investor as a separate case, thereby gaining experience upon which to base an investment law in the future. However, as indicated in the reply of Embassy Saigon contained in its telegram 716[4] apparently some Vietnamese believe that it is necessary to press for a liberal investment law at this time in order to head off an ultra-nationalistic approach.

The basic problem at the present time seems to be creation of a climate highly favorable to foreign investment in Viet-Nam of which an investment law would be only one element. In our communications with Saigon, cited above, we pointed out that signing of an FCN treaty between Viet-Nam and the United States would be helpful in this regard and in response to our approach negotiations are now underway with the Vietnamese on such a treaty. A statement by the President of Viet-Nam such as that attached to your memorandum—copies of this proposed statement were also left with me by General O'Daniel and forwarded by our Embassy in Saigon under cover of Despatch 93 of September 15, 1956[5]—would also be helpful in creating the necessary favorable climate.

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[1] Source: Department of State, Central Files, 800.05151G/9-2756. Secret. Drafted by Price and cleared in SEA and FE.

[2] *Supra.*

[3] Dated August 20, not printed. (Department of State, Central Files, 751G.34/8-856)

[4] Dated August 29, not printed. (*Ibid.*, 751G.34/8-2956)

I believe that President Diem should be encouraged to make a statement along these lines. I think that in advance of such a statement we should not give copies of any proposed statement to the French, British, Italian, West German, and Japanese Embassies here in Washington as suggested in your memorandum. I believe that any statement by the Vietnamese President along these lines should initially be called to the attention of these Governments by the Vietnamese themselves since our doing so would only give further ammunition to those who charge that Viet-Nam is under the domination of the United States and that the United States has an inordinate amount of control over Viet-Nam. Therefore, I believe that after President Diem has made his public statement, he should be encouraged to bring this statement to the attention of the Governments of all non-Communist countries whose nationals might be interested in investment in Viet-Nam.

A copy of your memorandum and of this reply are being sent to the Embassy in Saigon for its information and appropriate action.

Sincerely yours,

Walter S. Robertson[6]

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[5] Not printed. (*Ibid.*, 751G.34/9–1556)

[6] Printed from a copy which bears this typed signature. According to a memorandum from Leonard Tyson of FE to Jones, October 8, this letter was signed by Robertson and sent to Wisner. (*Ibid.*, FE Files: Lot 58 D 209, Indochina 1956)

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350. Letter From the Deputy Assistant Secretary of Defense for International Security Affairs (McGuire) to the Director of the International Cooperation Administration (Hollister)[1]

Washington, October 12, 1956.

DEAR JOHN: In the fall of 1955, an inter-agency costing mission (the Lawton Team) was sent to Saigon to develop recommendations for reducing the Vietnamese defense budget to the extent possible within national security objectives.[2] From the efforts of this mission and the subsequent work of the Country Team, the piastre budget for CY 1956 was reduced from $255 million equivalent (estimated by the Country Team in August 1955) to $203 million, and finally to $198.6 million maximum.

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[1] Source: Washington National Records Center, OASD/ISA Files: FRC 60 A 1339, 121 Vietnam. Secret.

[2] See Document 288.

Although the efforts of the last year constitute excellent progress toward solution of a large and complicated problem, the possibilities of additional improvement through further intensive work merit consideration at this time. With this in mind, and at the suggestion of Dr. FitzGerald, members of my staff and I gave this subject special consideration during our recent visit to Saigon.

Salaries and allowances, which constitute 60 per cent of the Vietnamese defense budget, present the largest potential for further analysis. The salary and allowances cost of the Vietnamese soldier averages 2 1/2 times that of each member of the Thai armed forces. For Viet-Nam, the U.S. pays 90 per cent of the costs; in Thailand the Thai national government foots the bill. Of course, it would be impossible to apply the pay structure of one country directly to the economy of another country. Nevertheless, if a formula could be devised to apply in Viet-Nam a military pay system comparable to the one in Thailand, savings to the United States of up to $65 million a year in defense support funds might be realized—savings which could be applied to a net reduction in defense support allotments to Viet-Nam or applied to the procurement of producer goods.

Inasmuch as the problem in Laos and Cambodia is similar to Viet-Nam, savings totaling as much as $20 million a year might be realized in these countries.

As an approach to the solution of the national defense budgetary problems of these three countries, the following courses of action are suggested for your consideration:

1. The formation of a small team of specialists on military personnel costs to study this problem in Viet-Nam and on their return to Washington recommend appropriate action. Inasmuch as over two-thirds of the total military personnel expenditures for the three countries is required in Viet-Nam, it would appear preferable to complete the project for this country first. If successful in Viet-Nam, similar projects for Laos and Cambodia could then be undertaken.
2. The development of a longer range technical assistance program to assist the Vietnamese government—especially the military budget staff—in improving the system of budgetary administration.

Within the past month, members of the Washington staff of the International Cooperation Administration have worked on these problems with representatives of the Department of Defense, both in Saigon and in Washington. Representatives of the Office of Philippine and Southeast Asian Affairs, State Department, have also participated in the recent Washington discussions. It is my understanding that they are in general agreement that an approach along these lines is desirable. If you and Assistant Secretary Robertson concur in these views, it would seem useful for our staffs to work further to formulate detailed recommendations on (a) the functions and membership of a military personnel costs team; and (b) the objectives and functions of a technical assistance activity on budgeting in Viet-Nam.

Inasmuch as the new Vietnamese fiscal year is less than three months away, it is suggested that priority might well be given to the military personnel costs problem.

An identical letter is being sent to Assistant Secretary Robertson.[3]

Sincerely yours,

Perkins McGuire

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[3] Not printed. (Washington National Records Center, OASD/ISA Files: FRC 60 A 1339, 121 Vietnam) Both Robertson and Hollister responded favorably to the suggestions and recommendations in this letter and expressed willingness for their agencies to participate in attacking the problem of the high cost of military assistance to Vietnam. Robertson and Hollister also recommended that the views of the country team should be invited. (Letters from Robertson and Hollister to McGuire, November 6 and 9; *ibid.*)

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351. Editorial Note

On November 18, General Williams forwarded to Admiral Stump a 15-page summary of MAAG and TERM activities for the period from November 1955 to November 1956. Copies went also to Ambassador Reinhardt and General Maxwell D. Taylor, Chief of Staff, United States Army. (Center of Military History, Williams Papers, Official Correspondence 1956 (8)) A "Terms of Reference for the U.S. Military Assistance Advisory Group to Vietnam", prepared in the MAAG and dated November 15, describes the organization and the assigned duties of the MAAG. (*Ibid.*, Pentalateral Agreement (130))

352. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, November 19, 1956—10 a.m.

1674. Diem summoned me evening November 16 to discuss U Nu visit.[2] Apparent from outset President both pleased at way visit went off and impressed with personality of guest whom he repeatedly described as simple, kind and deeply religious with high moral sense of justice. Diem recounted details of visit outlined Embassy telegram 1643[3] and asserted he had from outset decided it would be preferable to avoid raising controversial questions with Nu and simply to show him country and people in most informal fashion possible. This he had done and he felt sure it had been correct tactic.

Nu had asked about unification of Vietnam and was told this was an internal question for which time would be ripe when South had built up its economic and military strength sufficiently to meet North on equal terms. At such juncture Diem said he would be happy to meet Ho Chi Minh face to face. Concerning relations with Soviet Russia Diem had said that Vietnam was too small and delicate a garden to have such a massive elephant rooting around with its trunk amid the straw huts and pagodas. It was true American elephant was present but it was friendly creature and brought Vietnamese presents of bananas. Diem was convinced that U Nu's impromptu conversations with Vietnamese and Thai refugees had brought home to him some of plain truths of Communist barbarity. He had given Nu comprehensive briefing history Ho Chi Minh and Viet Minh movement. Diem thought their drive together along miles of unpatrolled jungle roads had impressed him with measure of internal security already attained here. Although Nu had not raised the subject Myint Thein[4] had said that Burmese were much more concerned with indirect Communist aggression and subversion than with the possibility of overt aggression. (If one is to believe Diem's account there was less topical political content in his conversations with Nu than in latter's Saigon press conference.)

Diem said his guest had invited him to visit Burma, suggested a visit by Vietnamese military officers and expressed himself in favor of establishment of relations between the two countries but that nothing specific had been decided on any of these points. (British Embassy on contrary was told by senior official of Burmese delegation that agreement had been reached to exchange Consuls General.)

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[1] Source: Department of State, Central Files, 033.90B51G/11–1956. Confidential. Repeated for information to Rangoon, New Delhi, Phnom Penh, Vientiane, and Bangkok.

[2] U Nu, former Prime Minister of Burma and chairman of the dominant political party in Burma, the Anti-Fascist People's Freedom League, visited Saigon in mid-November.

[3] Not printed. (Department of State, Central Files, 033.90B51G/11–1456)

[4] Myint Thein, former Burmese Ambassador to China, was a Justice of the Burmese Supreme Court.

It is general consensus here that visit was indeed highly successful. It marks, I believe, stage in this government's process of growing up and revealed new level of sophistication on part of Diem himself.

Reinhardt

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353. Telegram From the Ambassador in Vietnam (Reinhardt) to the Department of State[1]

Saigon, November 23, 1956—7 p.m.

1718. Reference: Deptel 1425.[2]

1. Believe following action program desirable and will suggest it to Diem Monday November 26 unless contrary instructions received from Department.[3]

(a) Prompt issuance by Diem offical GVN statement recounting recent tragic events DRV, denouncing Communist brutality, appealing strongly for new look at problem freedom of movement between two zones, and stating that message being sent this regard to ICC and other steps contemplated.

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[1] Source: Department of State, Central Files, 751G.00/11–2356. Secret; Priority.

[2] This telegram, November 22, reads as follows:

"Request your recommendations best methods diplomatic and other exploitation North Viet-Nam up-rising, including possible GVN statement, UN protest, US public statement or even possible GVN complaint to ICC." (*Ibid.*, 751G.00/11–2256)

At the beginning of November, a popular uprising occurred in Nghe An province of North Vietnam in defiance of the Democratic Republic of Vietnam's policies of land reform and land redistribution. For secondary accounts of the disturbance, see Bernard Fall, *The Two Viet-Nams: A Political and Military Analysis* (New York, Frederick A. Praeger, 1963), pp. 156–157 and Joseph Buttinger, *Vietnam: A Dragon Embattled*, vol. II (New York, Frederick A. Praeger, 1967), pp. 912–916. On December 21, the Embassy in Saigon initiated a series of reporting despatches which attempted to digest, synthesize, and interpret information on the Democratic Republic of Vietnam. The first report covering the period from mid-November to December 11, despatch 183 from Saigon, December 21, included information on the Nghe An uprising. (Department of State, Central Files, 751G.00/2–2156)

[3] In telegram 1446 to Saigon, November 24, the Department concurred with action proposed in paragraph 1, subparagraphs a and b. As for action proposed in subparagraph c, the Department concurred subject to deletion of reference to the Colombo Plan on the grounds that political matters should not be introduced into an economic body. Instead the Department suggested a letter to the U.N. Human Rights Commission. As for the action in subparagraph d, the Department did not concur with the idea of a U.N. denunciation on the grounds it would be difficult to obtain at the time. As for action proposed in subparagraph e, the Department suggested inaction but stated it would keep the matter under study. (*Ibid.*, 751G.00/11–2356)

(b) Simultaneous despatch letter to ICC proposing that, in accordance principles set forth Article 8 Final Declaration Geneva Accord, and in view manifest dissatisfaction large segment local population North Vietnam with prevailing conditions, immediate consideration be given to resumption free movement population between two zones which ICC could supervise.

(c) GVN could follow up letter to ICC within few days with letter to President Colombo Plan organization asking latter, in name humanitarian principles, to use its good offices with North Vietnam regime to help ICC in obtaining agreement to freedom of movement request. (*Comment:* Department may wish suggest channel other than Colombo Group for this step.)

(d) Statement issued immediately thereafter in U.N., preferably by Philippines or country other than U.S., relating tragic events in North Vietnam, denouncing Communist repression, referring to GVN statement, and appealing to U.N. to denounce activities countrary to basic principles U.N. Charter.

(e) Statement by U.S., either within or outside U.N., supporting previous U.N. protest and GVN statement, and announcing U.S. willingness to assist in any refugee movement.

2. Believe desirable continue keep issue alive and this will necessitate series of actions, along above lines, which will have to be taken as soon as possible. We know Diem presently considering further moves and he may take some action over weekend.

3. Department may also wish instruct Chiefs of Mission certain posts to present available material (including wireless file coverage) to local official and other circles at their discretion.

Reinhardt

354. Telegram From the Director of the International Cooperation Adminstration (Hollister) to the United States Operations Mission in Vietnam[1]

Washington, November 23, 1956—8:15 p.m.

Icato 716. Joint State/ICA message. Subject: Land Reform Ordinance. Reference: (A) Embtel 1372,[2] (B) Embtel 472.[3]

1. Country Team should reiterate to Diem US Government's deep interest sound and successful land reform program Vietnam. If carried out effectively could greatly enhance popular support Diem regime eliminating major grievance which Communists have attempted exploit. Under proper administration, it should also result in increased internal revenues, enabling reduction Vietnam's dependence on foreign aid.

2. Agree with importance attached to development of adequate administrative plan. Emphasize to Diem again that in absence careful planning administrative details indicated ref (B), entire scheme may fail leading to great disillusionment and bitterness among peasants and severe loss of prestige his regime. Believe weaknesses draft ordinance can be overcome by careful planning and administration.

3. US therefore prepared offer certain forms assistance planning and execution this program. Depending on availability and Vietnamese preference, prepared (a) recruit special team experienced US, Formosan or Japanese technicians assist Government in planning program, developing procedures, and training Vietnamese personnel required to operate program, (b) arrange intensive training and observation Vietnam officials in Taiwan, and (c) approve counterpart financing for all or substantial part of additional administrative costs incurred this program (estimated at $3–5 million).

4. We still question whether cash downpayment is necessary feature land transfers. But if such payment unavoidable, we feel if possible it should be borne by Vietnamese Government through reprogramming own budget or deficit financing. This would permit

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[1] Source: Department of State, Central Files, 851G.20/10–2456. Confidential. Drafted by Milton J. Esman and Frederick H. Bunting of the Office of Far East Operations of ICA and cleared by Raymond T. Moyer, Regional Director of that office, and Dennis A. FitzGerald, Deputy Director for Operations of ICA. Also cleared with FE. See the letter from Price to Haraldson, December 5, *infra*, for more information on the Department of State's clearing process.

[2] In this telegram, October 24, Reinhardt reported that he and Barrows were briefed by Diem on the Government of Vietnam's planned land ordinance, which Reinhardt reported still did not meet the Embassy's and USOM's objections, especially as to the ambiguity of language and position on the question of U.S. funds for support of the land transfer program. (*Ibid.*, 851G.20/10–2456)

[3] In this joint Embassy/USOM telegram, August 8, Reinhardt reported that he and Barrows presented to Diem on August 7 the U.S. position on land reform as instructed in telegram 256 to Saigon, July 27; see footnote 6, Document 340.

Diem claim full credit for conceiving and financing popular program. It might also result in more reasonable and prudent assessment land values. Unlikely deficit financing this operation seriously inflationary because land owners represent relatively small group presumably not interested spending funds consumption purposes and might prefer suitable alternative investment opportunities. This source of funds might be tapped through bond issues, proceeds to be devoted to reconstruction projects. Return on these projects either directly or through general increase in production would provide revenue for service on bonds.

5. In this connection you may wish give careful thought desirability and feasibility of scheme whereby landlords could acquire ownership on approved industrial plants or other productive enterprises through purchase of shares therein with funds obtained from commercial or government investment bank on security bonds received in land transfer. Part of capital for government bank might be provided also through counterpart loan. This might be beneficial to economy and contribute US objective encouraging private investment.

6. Suggest you discuss above with Vietnamese and advise.

7. While general statements have been made by US officials of friendly interest in land reform program, Chuong received no assurance from US officials here of US financial support for land reform program. See for example memo conversation July 26, 1956, between Chuong and Robertson[4] at which Haraldson also present.

Hollister

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[4] Not printed. (Department of State, Central Files, 751G.5-MSP/7-2656)

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355. Letter From the Officer in Charge of Cambodian Affairs (Price) to the Counselor of the Embassy in Vietnam (Haraldson)[1]

Washington, December 5, 1956.

DEAR WES: We have had quite a go-round on the subject of land reform. I do not know what response you wanted in answer to your telegrams 472 and 1372[2] but felt pretty sure that Icato 716 was not the answer needed or wanted. However, after four weeks of effort all I could do was get the two words "if possible" added in the second sentence of paragraph four of Icato 716.

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[1] Source: Department of State, FE/SEA Files: Lot 59 D 630, Agrarian Reform. Confidential; Official–Informal. Price, in addition to his duties as Officer in Charge of Cambodian Affairs, had responsibilities for land reform in Vietnam.

[2] Neither printed, but see footnotes 2 and 3, *supra*.

My first inclination on receipt of your 1372 was to reply that we would get off our equivocal position as soon as you got off yours and to ask you for a specific recommendation whether the United States should help finance the down payment to the landlords if an adequate plan for administering the land reform program could be worked out. However, further study of the file on land reform convinced me that you in fact were asking us if the United States Government would be prepared to help finance such down payment and that we should give you a straightforward answer. Therefore, on October 25, I drafted the attached four paragraph telegram[3] to which no one in State would agree except SEA.

After prolonged discussions within State, including two or three redrafts of the memo dated November 16[4] (also attached) to satisfy several stylistic experts, we finally got the problem presented to Mr. Robertson. He, however, refused to move in the direction we requested because there was no recommendation from the field on the basic issue of whether or not we could give assistance for the down payment if an adequate plan for administration was worked out. He felt that Icato 716 was not as much a closing of the door as I thought it was. In both cases, events have proven that he was correct.

As this is being written another cable of enquiry has gone through channels asking a number of unanswerable questions.[5] However, it also asks for your recommendation on the problem of down payment. I believe that with this we will begin to know what each other thinks of this particular program and the attachments certainly should give you an idea that I am very much in favor of it.

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[3] The draft cable was not attached to the source text and has not been found in Department of State files.

[4] Not attached and not found in Department of State files. Attached was a copy of an October 26 memorandum from Young to Robertson, printed as an enclosure to this letter. Apparently it was a draft of the November 16 memorandum.

[5] Sent as joint State/ICA telegram 1527 to Saigon, December 3, in which State and ICA asked the Embassy and USOM to estimate (a) the extent to which the Government of Vietnam could provide a down payment for the land transfer out of its own budget and out of deficit financing in subsequent years, (b) whether the Embassy and USOM were satisfied that the program would be a success, (c) whether U.S. financial support was essential, (d) what would be the consequences of failure of the United States to support the program, (e) the extent to which U.S. financial suport would increase the price of land to be acquired, and (f) whether the Embassy and USOM recommended support of the program. Finally the Department and ICA asked a number of detailed questions on the number of hectares included in the program, the price of land, and the breakdown of costs of the program by fiscal years. (Department of State, Central Files, 851G.20/10–2456)

Sincerely,

C. Hoyt Price[6]

[Enclosure]

Memorandum From the Director of the Office of Southeast Asian Affairs (Young) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)[7]

Washington, October 26, 1956.

SUBJECT

US Support for Land Redistribution Program in Viet-Nam.

There is attached a draft telegram[8] prepared in SEA giving Saigon guidance on US support for this program. While general statements have been made by US officials of friendly interest in this program, the US Government has not specifically instructed the Embassy on support. I strongly recommend that we do so now.

For two years the Department's policy telegrams and papers on Viet-Nam have stressed the importance of an effective program of land reform in Viet-Nam to build up strength in the South and to serve as one of the major counters to the Viet Minh. The issue posed in this telegram and its references is whether or not the US should finance actual transfers of land from a land owner to farmers receiving specified allotments under the new ordinance which President Ngo Dinh Diem intends to announce today, October 26. There will be opposition in E and probably ICA to such a decision for it will set a precedent for other countries. However, the stark fact is that unless the US Government is willing to find some mechanism to help finance this crucial program in Viet-Nam, it may not be undertaken. President Ngo Dinh Diem and the Vietnamese Government would be able to say that this key program was stopped by lack of concrete support from the US.

I cannot stress too strongly the political, psychological, social, and economic reasons for our going ahead with this program in Viet-Nam, where the free way of life is pitted against the Communist as in no other country in Southeast Asia today. The long-term peaceful struggle for influence and control in Viet-Nam and in Southeast Asia will hinge on whether or not the mass of the farmers can be won over to a democratic constitutional regime and can be counted on not only in the South but in the North to increase their opposition to the Communists. It is a stated NSC policy in NSC 5612/1[9] to make South Viet-Nam more attractive for all Vietnamese than the North. The sooner and the better we do this the more assured will be our long-term policy in Southeast Asia. I acknowledge that there are practical risks and difficulties in proceeding with US financial support for land reform anywhere, as well as in Viet-Nam. Nevertheless, I am confident that the US Government can apply the necessary ingenuity and find the resources to develop a prudent and feasible form of such support. I think we should explore long-term soft currency loan, token reimbursement by the Vietnamese, or a modest PL 480[10] program to provide the local currency.

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[6] Printed from a copy which bears this typed signature.

[7] This memorandum was classified Confidential. Also sent to Sebald and Jones.

[8] Not printed, but see footnote 3 above.

In sum, the political challenge to us and to the Vietnamese Government in this undertaking justifies in my opinion your support for this program. Therefore, I strongly hope that you will endorse this proposal and add your support in persuading other parts of the Department and other agencies to concur and to create the means for carrying it out. Without your endorsement and advocacy of this program, I am afraid that other elements and agencies in Washington will talk it to death.

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[9] See Document 345.

[10] The reference is to the Agricultural Development and Assistance Act of 1954, approved July 10, 1954; 68 Stat. 454.

356. Memorandum From the Deputy Director of the Office of Southeast Asian Affairs (Kocher) to the Operations Coordinator, Office of the Under Secretary of State (Richards)[1]

Washington, December 6, 1956.

SUBJECT

Diplomatic and Other Exploitations of North Viet-Nam Uprising

On November 23 the Embassy proposed a five-stage action program for exploitation of the North Viet-Nam uprising.[2] The Department approved the program, which was passed on to the Vietnamese on November 25.

The first three stages have been completed. That is: Diem issued a public declaration recounting the tragic events in North Viet-Nam, denouncing communist brutality and appealing strongly for a new look at the problem of freedom of movement between the two zones; Diem addressed a message to the Secretary General of the U.N., asking the U.N. [to] consider practical measures for the prevention of new massacres, protection of those who had taken part in the uprising and in obtaining freedom of movement; the same day the Vietnamese Government sent a letter to the ICC, transmitting a petition from recent escaped refugees from the North reciting incidents and claiming DRV authorities never informed the local populace of their rights to freedom of movement under the Geneva agreements and requesting a review of the whole question of freedom of movement.

We suggested that the Vietnamese undertake to obtain the services of a Thai spokesman at the U.N., and we have persuaded the Vietnamese to send their Ambassador to New York, since the degree to which this matter can be exploited will depend on the extent to which the Vietnamese themselves can make a case in New York and with countries with which they have representation.

At an appropriate time we are prepared to make a statement either within or outside the U.N. supporting Diem's letter to the Secretary General and whatever statement is made by a Thai or other spokesman and announcing our willingness to assist in any refugee movement. Mr. Young is following the situation at New York.

We shall continue to keep this issue alive but believe it essential that we not overplay our hand. The available hard news on the uprising does not begin to compare with the news on the Hungarian situation, for example, and we must keep in mind the risk of sacrificing credibility to enthusiasm. At any rate, the extreme shrillness and anxiety betrayed by the Viet Minh radio reaction to free world exploitation of the uprising clearly indicates that they're being hurt.

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[1] Source: Department of State, OCB Files: Lot 61 D 385, Vietnam, General. Secret. Drafted by Corcoran on December 5. Arthur L. Richards was the Operations Coordinator.

[2] See Document 353.

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357. Letter From the Ambassador in Vietnam (Reinhardt) to the Director of the Office of Southeast Asian Affairs (Young)[1]

Saigon, December 20, 1956.

DEAR KEN: The question of Vietnamese-American relations, raised in your letter of October 29,[2] has been one to which we have devoted increasing attention in recent months. Although I do not believe that any fundamental change in the GVN's attitude has occurred, I think there is no question that a gradual trend toward greater assertiveness vis-à-vis Americans has been developing for some time and can be expected to continue. Although American assistance is eagerly sought, American advice, as you well know, has never been accepted with any alacrity, particularly on political issues. The few occasions, moreover, in which our "political" advice has materially affected GVN policies have been essentially limited to international issues. Our influence in shaping internal developments, partly because we have voluntarily refrained from asserting maximum effort, has been extremely circumscribed.

There has been some evidence that President Diem, as he grows more sure of himself through the success he has achieved, is becoming less receptive to unofficial advice given to him by special advisors and close friends. There is probably little that we could do about this situation, and although it is regrettable, I do not consider it alarming. The major effect of this attitude will, I believe, be felt in our economic aid program. It may eventually be necessary, if serious differences of views develop in this field, to make clear to Diem that our continued ability to support the Vietnamese Government will depend on the adoption by the latter of certain basic economic policies which will permit us to justify such aid to the American Congress.

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[1] Source: Department of State, Central Files, 611.51J/12–2056. Secret; Official-Informal.

[2] This letter is attached to a copy of the letter from Reinhardt to Young of December 20, *ibid.*, Saigon Embassy Files: Lot 62 F 52, 320 International Relations, A–Z, 1956–1958. Young observed that "several of us in the Department and the other agency have noticed recent indications of increasing difficulties in dealing with the President." Young asked for Reinhardt's reaction to the following questions:

"(a) The reaction of Ngo Dinh Diem and those close around him to American official and unofficial advice.

"(b) The prospects of such concentration of decision and power over such a wide and seemingly unnecessary range of matters.

"(c) The theory of 'mandarinism'."

With regard to the problem created by Diem's concentration of decision and power over such a seemingly wide range of matters, there is again little that can be done beyond recognizing that this unfortunate state of affairs has existed since the beginning of the Diem regime and will likely be with us for some time. Continuous efforts are being made by MAAG and USOM to point out the necessity of proper delegation of responsibilities and some improvement is made from time to time along these lines. With the passage of time and the development of really functioning governmental institutions and procedures it can be hoped that these efforts will increasingly bear fruit, although it must be recognized that the source of the difficulty lies principally in the personality of the President, which is not likely to change radically.

You also asked about the theory of "mandarinism." This much used and misused word had been made to cover a multitude of sins. Essentially, as I understand it, it is mostly used to describe a form of bureaucratic aristocracy in which decisions of government are largely made by a small group of government officials steeped in the traditions of their office and distrustful of the masses, from which, ironically enough, most of them sprang. In the context of present day realities mandarinism essentially describes an attitude of paternalism approaching benevolent despotism. Certainly one can find elements of the mandarin tradition, in its better sense, in Diem's philosophy of government. Yet I think it would be erroneous not to recognize that Diem is far too intelligent and forward-looking to be the prisoner of his own early training and experience as a member of the mandarinate.

With best wishes,

Sincerely,

Fred

G. Frederick Reinhardt

358. Letter From the Commander in Chief, Pacific (Stump) to the Chief of the Military Assistance Advisory Group in Vietnam (Williams)[1]

[Pearl Harbor,] December 21, 1956.

DEAR GENERAL WILLIAMS: Ambassador Reinhardt's excellent report, "Program Evaluation—Vietnam," a copy of which you forwarded me on 8 December 1956,[2] is of much interest to me and my staff. In my opinion, the report effectively summarizes the results of the U.S. effort in Vietnam to date and realistically forecasts developments expected in the immediate future.

Of particular interest is the Ambassador's evaluation of MAAG's contribution to the establishment of a stable government in South Vietnam. The last paragraph on page 6 of the report was quoted in a recent CINCPAC message to CNO. You and all your personnel should feel great satisfaction in the MAAG's accomplishments and be assured that I point with pride to the results of our military aid efforts in Vietnam, and to the part you have played in achieving them.

In this connection, General Magruder,[3] during his stay here, gave me his observations on his recent trip. He likewise considers that remarkable progress has been made in all aspects of the aid program and particularly in the activities of TERM and I was happy to hear that he also appreciated your efforts in Saigon and the fine relations you have with the Vietnamese. However, he did express some concern over any efforts which might be made to reduce or eliminate TERM on the basis of the progress that has been made or upon completion of the task of segregating and cataloging the excess property now in Vietnam. He feels there is a need for continued effort by this group in training the Vietnamese armed forces in proper logistic procedures and increasing their capability to provide adequate logistic support for their own forces. I know you concur in this idea and I certainly agree this must be done.

During our discussion it occurred to me that if we move out the reparable and usable property promptly but not be in too big a hurry to move the junk and scrap, it might provide visible evidence of a continuing project. With all the checks that are being made on TERM, any indication that they had cleaned things up and show evidence of completing their task would cause increased pressure from many quarters to remove the group and thereby lose their services for the other aspects of their task. This may be one instance where neat and orderly outward appearance may prove detrimental.

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[1] Source: Hoover Institution Archives, Williams Papers, Personal Correspondence Sep to Dec 1956. Confidential.

[2] Not found.

[3] Lieutenant General Carter B. Magruder, Deputy Chief of Army Staff (Logistics).

You might give this thought some consideration in any efforts to lessen pressure for the removal of the TERM personnel. Further, if you have any ideas on methods that might prove beneficial, I would be glad to have them. As the excellent progress being made by this group continues, I am sure we shall hear more about their withdrawal.

Your reports are always most helpful to me and I appreciate you keeping me informed on all the activities in Vietnam.

With warm regards and best wishes for your continued success in the coming year.

Sincerely,

Felix
Felix B. Stump
Admiral, U.S. Navy

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359. Memorandum From the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Secretary of State[1]

Washington, February 11, 1957.

SUBJECT

Vietnamese President Ngo Dinh Diem's Request for Official Visit to Washington.

Discussion:

Last year President Ngo Dinh Diem of Viet-Nam gave many clear hints to our Ambassador in Saigon that he wanted to make a state visit to Washington this year. We recommended such a visit in my memorandum to you of October 17, 1956 (Tab A[2]), but this recommendation apparently was not approved (Tab B[3]). Now, as reported in Saigon's 2404, February 5 (Tab C[4]) Diem has openly requested our Ambassador in Saigon to inform the Department that he would like to make an official visit to Washington, preferably during the month of May 1957, and he has followed this up with a similar request transmitted through the Vietnamese Ambassador in Washington (Tab D[5]). No doubt Diem considers such a visit would greatly enhance Vietnamese prestige both as against the northern Communist regime and in Southeast Asia generally. It also appears that he considers the situation in Viet-Nam sufficiently stable to permit his absence at the time suggested.

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[1] Source: Department of State, Central Files, 751G.11/2–557. Confidential. Drafted by Kocher and Corcoran with the concurrence of Sebald.

[2] Not attached to the source text; not printed. (*Ibid.* 751G.11/10–1756)

[3] Not found attached.

[4] Not attached to the source text; not printed. (Department of State, Central Files, 751G.11/2–557)

Viet-Nam is our newest and one of our staunchest friends in Asia. We have great reason to be satisfied with Diem's performance and, therefore, reason to show him highest level attention. Diem is eager to come to the United States and since he has gone so far as to make a formal request for a visit, I would hope that we can accede to his wishes at some time convenient to President Eisenhower. As I understand from U/PR that the heavy present schedule of state visits makes it impracticable to invite President Diem in May, I strongly recommend that we avoid offering him a total rebuff by fixing as firmly as possible a date later in 1957, possibly in November or December.

Recommendation:

That you sign the attached memorandum to the President (Tab E[6]) recommending that Diem be promised an invitation to the US later this year.

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[5] Memorandum of conversation by Corcoran, February 5, not attached to the source text and not printed. (*Ibid.*, FE Files: Lot 59 D 19, MC–Vietnamese, 1957)

[6] Not attached to the source text. A copy of this memorandum to the President is *ibid.*, Central Files, 751G.11/2–557. The text is very similar to that of the memorandum above. No record has been found in Department of State files or at the Eisenhower Library to indicate whether or not Eisenhower approved the memorandum. Diem did visit Washington in early May notwithstanding the heavy schedule of other visits by Heads of State.

360. Telegram From the Chargé in Vietnam (Anderson) to the Department of State[1]

Saigon, February 27, 1957—7 p.m.

2633. 1. Diem called me in yesterday to outline his thoughts on measures to 1) enhance security especially in plateau and border regions and 2) promote development small industries.

2. On first point, he said he was ordering establishment of "posts" each consisting of 50 to 500 older members of Garde Civile or army in such areas as Kontum, Pleiku, Ban Me Thuot and Plaine des Joncs. Men would be ordered to posts but would be given land to cultivate on retirement and thus become nuclei for permanent settlements. Establishment of posts would encourage other settlers to enter areas and would also facilitate resettlement in event of any future major movement of refugees from north. In this way uninhabited but strategically important parts of Vietnam could be made secure and threat of Communist infiltration or rapid occupation in war would be minimized.

3. With respect to development of small industries, Diem had been in touch with Acting Director USOM and Vice President to explore possibility of manufacturing and processing in Vietnam items which have been imported for armed forces. Heretofore many such items had been coming for example from Japan, whose industrial potential had now been reestablished. It was therefore high time Vietnam take constructive steps in this field. This should certainly be possible when manufacturers have an assured market provided by armed forces.

4. Neither of these ideas is new. However, with respect to establishment of posts Diem indicated great sense of urgency, pointing out housing should be put up before rains begin about mid-April. It seemed likely to me that his interest in this subject had been stimulated by recent attempt on his life,[2] which he said he now had reason believe had been engineered by Communists, and believed might have grown out of their resentment of his plans to populate and develop plateau country, thus depriving them of easy access to that part of Vietnam.

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[1] Source: Department of State, Central Files, 751G.5/2–2757. Confidential. Passed to the Army, Navy, Air Force, Office of the Secretary of Defense, and CINCPAC.

[2] As Diem was arriving on foot for the inauguration of the Ban Me Thuot Economic Fair on the morning of February 22, an assailant fired a shot at him at close range which missed him but seriously wounded South Vietnam's Secretary of Agrarian Reform. (Telegram 2590 from Saigon, February 22; *ibid.*, 751G.11/2–2257)

The following message from Eisenhower was transmitted to Diem by the American Embassy in Vietnam: "Greatly shocked to hear of outrage at Banmethuot and relieved to know you are unharmed. Dwight D. Eisenhower". (Telegram 2223 to Saigon, February 23; *ibid.*, 751G.11/2–2357)

5. Have discussed foregoing with Chief MAAG and Acting Director USOM.[3]

Anderson

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[3] Wesley C. Haraldson.

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361. Memorandum From the Acting Secretary of State to the President[1]

Washington, March 6, 1957.

SUBJECT

Semi-official Visit of Brother of President of Viet-Nam

Mr. Ngo Dinh Nhu, brother and political advisor of President Ngo Dinh Diem of the Republic of Viet-Nam, is making a round the world trip in a semi-official capacity. He is Diem's most influential advisor and he wields great power behind the scenes. His wife serves as the President's official hostess.

Mr. Nhu has expressed the desire to have a brief interview with you during his visit. He explains that the Government of Viet-Nam feels that its status vis-à-vis its Asian neighbors would benefit if he could see you before President Ngo Dinh Diem starts a projected tour of Southeast Asia. I believe that granting Mr. Nhu an interview would serve to enhance Vietnamese prestige both as against the northern communist regime and in Southeast Asia generally.

Viet-Nam is our newest and one of our staunchest friends in Asia and we have great reason to be satisfied with President Diem's performance and therefore reason to show the highest level attention to his brother and close advisor. If it meets with your approval I would like to instruct our Embassy in Saigon to tell President Diem that you have learned that his brother is planning a tour which includes a visit to the United States and that you would be pleased to see him while he is here. A brief call scheduled for some time between March 25 and March 30 would be all that would be necessary and appropriate.

Christian A. Herter

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[1] Source: Eisenhower Library, Whitman File, International Series, Confidential. Dulles left Washington on March 6 to attend the SEATO meetings in Canberra, Australia, the formal sessions of which took place March 11–13. (Princeton Library, Dulles Papers, Dulles' Appointment Book) Christian A. Herter became Under Secretary of State on February 21.

362. Telegram From the Commander in Chief, Pacific (Stump) to the Chief of the Military Assistance Advisory Group in Vietnam (Williams)[1]

Honolulu, March 20, 1957—1:59 p.m.

192359Z (Navy message). Personal for Lt. Gen. Williams from Admiral Stump. At dinner last night Vietnam Special Ambassador and brother of the President, Ngo Dinh Nhu, told me that the Communists make fun of president whose name is Ngo Dinh Diem because Americans call him "President Diem" thus using his first name Diem and not his family name Ngo which is equivalent to calling President Eisenhower "President Dwight" whereas Americans most always call the Communist leader Ho Chi Minh by his last name Ho which is much more respectable. He should be called Ambassador Ngo and not Ambassador Nhu.

Would appreciate your discussing this subject with Chargé Anderson to ascertain whether any such comments have been noted and best method of instituting corrective measures.[2] Because of fact that Special Ambassador Ngo Dinh Nhu leaves for United States tonight I am passing this message to CNO without awaiting your detailed comment to pass to State Department.

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[1] Source: Department of State, Central Files, 751G.11/3–1957. Confidential. Repeated for information to the Department of State; the source text is the Department copy.

[2] Both Williams and Anderson were greatly surprised by Ngo Dinh Nhu's revelation. Anderson made discreet inquiries among Vietnamese officials and found that Diem would be pleased to be called Ngo because of the respect it would imply. (Telegrams MAGCH–CH 5515, 210309Z, and MAGCH–CH 5529 (Navy messages) to the Department of State, both March 21; *ibid.*, 751G.11/3–2157)

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363. Telegram From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to the Commander in Chief, Pacific (Stump)[1]

Saigon, March 22, 1957.

MAGCTE–CH 5537 (Navy message). For Admiral Stump from Lt Gen Williams. Reference: Last para my 210309Z.[2]

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[1] Source: Department of State, Central Files, 751G.11/3–2257. Confidential. There is no time of transmission on the source text. Repeated for information to the Department of State; the source text is the Department copy.

[2] Not printed, but see footnote 2, *supra*.

Ngo Dinh Nhu is of course right that the first name is the family name in Vietnamese and the third name the individual's personal name. He has, however, misled Admiral Stump on other counts. Using the third name preceded by Mr. or the person's title is standard practice among the Vietnamese themselves and universally used by all foreigners. Although the Vietnamese generally use all 3 names when referring to President Ngo Dinh Diem in official documents, it is frequently abbreviated to President Diem, almost never to President Ngo (including publications issued by the press office of the presidency in 1956).

In very rare instances a Vietnamese will rise so far above his compatriots in stature that he becomes known by his first name. Ho Chi Minh is the outstanding and perhaps the only example of this today. It has been obvious for many months that Diem and his entourage have been anxious to raise the president's prestige by placing him on a comparable pedestal with Ho Chi Minh and the expression "President Ngo" has been used off and on, mostly in adulatory articles in the press, for over a year.

If the GVN wishes to make this standard practice it would be relatively easy for us to follow suit.[3] However, as long as the overwhelming majority of Vietnamese as well as all other foreign nationals continue to speak of President Diem it would appear a little odd if we were the only ones to begin calling him President Ngo. As for Ngo Dinh Nhu himself, it is doubtful that either you or I will see the day when he is known as Mr. Ngo or Ambassador Ngo.

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[3] According to telegram 3116 from Saigon, April 13, Anderson put the question squarely to Diem as to his preference for "Diem" or "Ngo" Anderson reported the conversation of April 12 as follows:

"He stated categorically preference for latter which was in accordance with Vietnamese tradition and current practice with respect to Chiang Kai-Shek and even Ho Chi Minh. Characteristically he blamed French for having started and perpetuated Diem appellation.

"Under circumstances I believe we should use president's full name whenever appropriate but should respect his wishes which are in line with GVN's recent efforts to have him known as Ngo.

"It will of course be some time before this change will be generally accepted. It will probably be longer, if ever, before brother Nhu will be generally referred to as 'Ambassador Ngo' ". (Department of State, Central Files, 751.11/4-1357)

Anderson's suggestion that the Department use Diem's full name whenever appropriate became standard practice. (Telegram 2710 to Saigon, April 17; *ibid.*, 751G.11/4-1757)

364. Editorial Note

On the morning of March 28, Ngo Dinh Nhu and Ambassador Tran Van Chuong met at the Department of State with Sebald, Young, and Corcoran. (Robertson was ill and unable to attend the meeting.) After a short conversation, Nhu and Chuong, accompanied by Sebald and an interpreter, went to the White House for a meeting with Eisenhower which lasted from 11:32 to 11:51 a.m. No record of what was said at this brief meeting with the President has been found in Department of State or Eisenhower Library files. (Eisenhower Library, President's Daily Appointments and memorandum of conversation by Corcoran, March 28; Department of State, FE Files: Lot 59 D 19, MC–Vietnamese 1957)

On April 4 Nhu and Chuong paid a courtesy call on Dulles at 2 p.m. The discussion was nonsubstantive. (Memorandum of conversation by Young, April 4; *ibid.*, Central Files, 033.51G11/4–457)

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365. Telegram From the Chargé in Vietnam (Anderson) to the Department of State[1]

Saigon, March 30, 1957—noon.

2957. 1. In conversation with me March 28 lasting more than two hours and in talk March 29 with General Maxwell Taylor,[2] President Diem emphasized Communists are intensifying subversive efforts in Southeast Asia in general and in Vietnam in particular.

2. In talk with me Diem dwelt at length on unfavorable developments Thailand and Cambodia (but strangely failed mention Laos or Indonesia). As for Thailand he felt Pibul had been greatly shaken by recent events[3] and should now vigorously take matters into own hands (as was being done in Vietnam) rather than try to balance one force against another. In Cambodia Russians and their Chinese

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[1] Source: Department of State, Central Files, 795B.00/3–3057. Confidential. Repeated for information to Phnom Penh and Bangkok. Passed to the Department of Defense for CINCPAC.

[2] Taylor, Chief of Staff of the U.S. Army, was in Saigon March 29–31, where, in addition to talks with Vietnamese leaders, he visited military installations. (Weeka 13, telegram 2966 from Saigon, March 30; *ibid.*, 751G.00(W)/3–3057)

[3] The reference is to the election in Thailand in which Prime Minister Pibul's party won a narrow majority amid charges of corruption and election tampering. Pibul's government declared a state of emergency after the election until the new parliament was convened.

friends were rapidly entrenching themselves in privileged positions and had already done much to win over important Chinese minority.

3. In Vietnam the Viet Minh were engaging in "agitprop" tactics which included dissemination of anti-GVN tracts on considerable scale and use of arson (see Weeka March 22 [*23*][4] and despatch 267[5]) as instrument to attack government and sow discontent. Efforts were also being made by certain elements in press to discredit him personally and to engage in demagoguery which he would not tolerate (Embtel 2895[6]). There were even naive elements in the church who were critical of government and showing tolerant attitude toward coexistence. (See Weeka March 15[7] re proceedings against priests.)

4. In view of all this ferment Diem said he had himself recently "briefed" groups from army and National Assembly on situation. He had told them rely more and more on own efforts and prepare for austerity and difficulties ahead.

5. In talk with Taylor Diem refrained from going into details but made point of emphasizing general danger of Communist subversive thrust.[8]

6. I have definite impression that since attempt on his life Feb 22 Diem has become especially sensitive to any development that might seem threaten security his government. An almost immediate reaction was ordering Civil Guard to frontier areas (Embtel 2633[9]) and sense of urgency with respect to implementing resettlement projects in PMS and Plaine des Joncs. Department will note Diem's statements on subversive threat are in line with those made to Washington press March 28 by his brother Nhu.

Anderson

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[4] Transmitted in telegram 2894 of that date, not printed. (Department of State, Central Files, 751G.00(W)/3–2357)

[5] Dated March 21, not printed. (*Ibid.*, 751G.001/3–2157)

[6] Dated March 23, not printed. (*Ibid.*, 951G.61/3–2357)

[7] Transmitted in telegram 2830 of that date, not printed. (*Ibid.*, 751G.00(W)/3–1557)

[8] Williams reported on this conversation to CINCPAC in telegram MAGCH 5390, April 1 (011059Z) and commented: "During conference between Ngo Dinh Diem and Taylor President spoke in generalities only and without too much energy." (Center of Military History, William Papers, TWXs 1957 (14)) A memorandum of this conversation by Colonel Usera is *ibid.*, Conversations with Diem 31 Dec 56–12 Sept 57. A short summary of the conversation is in Document 371.

[9] Document 360.

366. Memorandum of a Conversation, Department of State, Washington, April 4, 1957[1]

SUBJECT

Economic Aid to Viet-Nam

PARTICIPANTS

His Excellency Ngo Dinh Nhu, Political Adviser to the President of Viet-Nam
His Excellency Tran Van Chuong, Ambassador of Viet-Nam
Mr. John B. Hollister, Director ICA
Mr. Paul L. Summers, ICA
Mr. Frederick H. Bunting, ICA
Mr. Thomas J. Corcoran, SEA

Mr. Hollister opened the conversation by saying he was sorry to have missed Mr. Nhu during his visit to Saigon about a year and a half ago when Mr. Nhu was absent on a special mission in the high plateau region and that he remembered having had the pleasure of meeting Madame Nhu at the President's palace. Mr. Nhu said that before his departure from Saigon the President had instructed him to discuss with Mr. Hollister various problems concerning American aid. He said that the Vietnamese hoped to make the most efficacious use of American aid so that they could soon reach the point where they would no longer need it. Mr. Hollister replied that he shared this Vietnamese desire. Mr. Nhu said the Vietnamese well realized that if they were not careful American aid could become a sort of opium paralyzing the country.

Mr. Nhu said that Vietnamese Government tried to solve various problems simultaneously rather than individually. In this spirit the Government took a broad view of its problems and tried to link them together when possible. A number of Vietnamese technicians had come here to discuss the details of specific problems with ICA/Washington. With Mr. Hollister's permission Mr. Nhu would confine himself to a general treatment of questions of aid policy. Mr. Hollister asked Mr. Nhu to speak freely about whatever problems he had in mind, since ICA's only aim was to do the best it could for Viet-Nam with the funds available.

Mr. Nhu said that the Vietnamese Government felt that the question of triangular franc aid and other triangular currency aid should be discussed in advance with it before decisions were made. Mr. Bunting remarked that it was our impression that this matter had been discussed fully with the Vietnamese Government in Saigon. Mr. Chuong interposed that they had gotten exactly the opposite impression from his government. Mr. Hollister said that since we and the Vietnamese had such divergent understandings of this matter we would check to see just what discussion had taken place between the United States and the Government of Viet-Nam in Saigon. Mr. Nhu said that the Vietnamese Government could assist the United States by putting pressure on the Japanese and on the French in the course of negotiations of triangular currency aid with a view to orienting Japan and France toward our political views. Mr. Hollister said that ICA was not interested in triangular currency aid for its own sake, but was primarily interested in doing what was needed for the well-being of Viet-Nam. Mr. Nhu repeated his earlier observation that the Government of Viet-Nam desired that triangular currency arrangements be discussed with it in advance.

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[1] Source: Department of State, Central Files, 751G.5-MSP/4-457. Confidential. Drafted by Corcoran.

Mr. Nhu next raised the question of highway construction, pointing out that whereas the Government of Viet-Nam desired so-called strategic highways, ICA took the position that coastal, commercial highways were more useful. However, the Vietnamese Government took its usual broad view of the problem of highway construction. For example, the Government desired to settle people in the underpopulated plateau region. The so-called strategic roads would serve these areas and would have not only strategic significance but also social and economic significance, since they would be serving the new population in these areas. If the Vietnamese Government has had some success during the past two years it is due largely to its practice of taking a broad overall view of problems rather than trying to solve individual problems separately.

Mr. Nhu added that the Government took the same approach to the question of land reform. The largest regions of Viet-Nam have in the past been the least populated, due partly to the existence of large absentee land holdings and partly to the French colonial practice of keeping large areas unexploited. The land reform program envisages installing families in these areas and providing each family with a house and two or three hectares of land. These families would cooperate with each other to work their land and would gradually accumulate small savings which could then be invested in the industrialization of the country. Furthermore, being on the land and raising their own crops, they would be able to survive periods of depression, since people who own their own land are not likely to starve in bad times. By their very presence in these areas they would deny the use of them to Communist forces, thus the land reform program had social, economic, and strategic implications.

Mr. Nhu felt that since 1956 Communist strategy in the Far East had changed. Before 1956 the Communists stressed peaceful coexistence and the relaxation of tensions. Since 1956 they stressed aggressive coexistence which they preferred to describe as competitive coexistence. They also devoted much attention to aid given "without conditions". Mr. Nhu realized that the United States had been giving aid to countries of Europe and Asia since 1945 and therefore foreign aid was an old and rather fatiguing thing for Americans. For the Communists, on the other hand, it was a brand new development. Mr. Hollister said that our studies of some of the Communist aid programs which were described as "without conditions" showed that there were in fact a great many strings attached to these programs. Mr. Nhu replied that he was well aware of this but that the point he wanted to make was that the Communists were new entries in the foreign aid field.

Mr. Nhu next raised the question of complicated U.S. aid procedures which he said should be simplified. Mr. Hollister replied that the Vietnamese were not the only ones to complain about complicated U.S. procedures and that we were making a determined effort to reduce details resulting from these procedures. There was a basic problem, however, which, while not excusing lengthy aid procedures, could to some extent explain them. This basic problem was that he was required to justify to the Congress in detail the expenditure of aid funds. This requirement necessitated the extensive documentation of aid projects. Tomorrow morning, for example, he had to go before a Congressional committee and explain in detail actions taken by his predecessor in a certain country some time ago. A certain delay also arose inevitably from the great distance between Washington and Saigon and the long time needed for correspondence between the two places. Also, although this did not necessarily apply to Viet-Nam, sometimes the host governments were slow in taking necessary action and this slowness caused additional delay. Ambassador Chuong laughed out loud at this point and said this was the counter-attack. He then interrupted the translation to explain to Mr. Nhu that the Government of Viet-Nam had at times been delinquent in this regard.

Mr. Nhu said that being at the very edge of the Communist world, Viet-Nam could never lose sight of the fact that most of its problems assumed a military character. It was with this thought in mind and not with any desire to try to match the extremely large Communist army that President Diem would like to raise the armed forces ceiling by adding 20,000 more men. Mr. Hollister remarked that we were well aware of the military threat posed by Communism and it was for this reason that we were spending large sums in such places as the Far East and it was also for this reason that we urged united action for defense on countries which were so threatened. Mr. Nhu then said Viet-Nam was like a person who had just recovered from a serious illness and was still convalescent. Treatment was still necessary but strong remedies should be avoided since they might have an undesirable effect on the convalescent patient. He then remarked that Viet-Nam hoped to make the most efficacious use of American aid because it was very conscious of its obligation toward the free world and realized that making the best use of American aid would be helping not only itself but the rest of the free world. Viet-Nam would like to be a model of a small country receiving American aid. Mr. Hollister said that we were very proud of the fact that we had helped a fine man like President Ngo Dinh Diem to accomplish so much and that we admired President Ngo Dinh Diem greatly. Mr. Hollister was frequently called upon in special discussions before Congressional committees and elsewhere to cite examples of what the mutual security program had accomplished. His favorite example which he always cited was Viet-Nam. Ambassador Chuong said that President Diem could never have accomplished what he did without American aid, for which the Vietnamese were extremely grateful.

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367. Memorandum of a Conversation, Department of State, Washington, April 5, 1957[1]

SUBJECT

Military Aid for Viet-Nam

PARTICIPANTS

His Excellency Ngo Dinh Nhu, Political Adviser to President of Viet-Nam
His Excellency Tran Van Chuong, Ambassador of Viet-Nam
The Honorable Mansfield D. Sprague, Assistant Secretary of Defense
Captain Berton A. Robbins, Jr., U.S.N., OSD:ISA
Lieutenant Colonel Robert F. Evans, U.S.A., OSD:ISA
Thomas J. Corcoran, SEA

After the usual exchange of amenities Mr. Nhu said he proposed to discuss military aid to Viet-Nam under two general aspects, the political and the technical. He found that since December 1956 when the Communist Party Congress took place in Peiping, Communist techniques in the Far East had changed. The Moscow 20th Party Congress had stressed the parliamentary struggle for the spread of Communism. However, Mao Tse Tung had reconsidered Communist strategy and tactics. He gave stress to the following three ideas: (1) Communist orthodoxy; (2) dictatorship of the proletariat; (3) the necessity to establish this dictatorship by violent means. The Vietnamese Communists (Lao Dong party) conform to the Chinese view in this regard.

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[1] Source: Department of State, Central Files, 751G.5-MSP/4-557. Confidential. Drafted by Corcoran.

Mr. Sprague asked how many members there were in the Vietnamese Communist Party. Mr. Nhu replied that, although the Communists probably claimed a great many, the total membership of the Lao Party was probably between 300,000 and 400,000.

Mr. Sprague asked if there was any considerable refugee movement from north to south in Viet-Nam. Mr. Nhu replied that there was still a remarkably strong desire among people in the north to go south. The Vietnamese Government had under study a secret project which it hoped to put into effect at some time in the future after it had succeeded in consolidating the south politically, economically, and militarily. This plan would call for provoking within a few weeks a massive exodus of up to two million refugees from the north to the south.

Mr. Nhu said that the current Asian Communist line was affected strongly by a certain dynamism among the Asian masses. These masses wanted an improvement in their lot and they wanted it quickly. The Chinese Communists recognized the existence of this ferment and hoped to capture the leadership of it rather than to be swept along by it. Therefore the time factor is most important now. The Communists hoped to outstrip the West in the race for control of the Asian masses by taking advantage of the slowness of the democratic countries.

It is against this Asian background that the Vietnamese regard the technical aspect of their military problem. In general their role as envisaged by SEATO is to delay any massive military attack by the Vietnamese Communists. The Vietnamese Communists have 380,000 men organized into heavy divisions and equipped in accordance with Chinese and Russian practice with a strong artillery. Free Viet-Nam has only 150,000 men, most of whom are organized in light divisions. In addition to all this, recent developments in Laos and Cambodia indicating a general trend toward increased Communist influence in those countries make it necessary for the Vietnamese to concern themselves with a much larger area of possible operations than had been anticipated. In order to fill their responsibilities under the framework of SEATO the Vietnamese must have sufficient forces to resist for from two weeks to a month the shock of Communist forces which will be determined to crush them as rapidly as possible. Therefore, from the technical point of view they need sufficient troops to form two army corps, sufficient troops to organize their army into divisions and sufficient troops to carry on training without diminishing the operational capacity of their army. In response to a question from Mr. Sprague, Mr. Nhu estimated the average Vietnamese light division at 6,000 men and the average Vietnamese Communist division at about 12,000 men. Captain Robbins agreed with this estimate. For all of the foregoing reasons, said Mr. Nhu, President Ngo Dinh Diem asked 20,000 to 30,000 more men so that he could carry on training and maintain two army corps at the same time. The Vietnamese did not view their mission simply as a delaying one, but felt that after resisting the initial shock they must counterattack quickly. There were compelling political reasons for this. It would not be desirable, either from the American point of view or from the Vietnamese point of view, to send American troops into Viet-Nam since this would be, after all, a civil war.

Vietnamese troops would have to be the ones to attack the Viet Minh. The Vietnamese must think in terms of organizing landings and attacking the enemy in the region of Hanoi itself. So, it is Vietnamese troops that will have to carry the load. For the moment, Thailand and the Philippines, the only countries that could help Viet-Nam with troops, have none to spare. Thailand, particularly, has the dangerous right bank of the Mekong to watch. Therefore, the Vietnamese national army must be made adequate to meet the current situation.

Mr. Sprague asked Mr. Nhu whether or not the Vietnamese army had made any progress. Mr. Nhu replied that the Vietnamese army had made much progress in the past two years, both technically and in morale. Its main weaknesses are in equipment, especially in transportation, in which it is very backward. Its trucks and jeeps are left over from the last war and are very worn. To remedy their main deficiencies they must concentrate on training and equipment.

Mr. Sprague asked how the economic situation was in Viet-Nam. Mr. Nhu said it was bad because of 15 years of war and destruction. The Government was now devoting its main attention to economic recovery. They realized that economically also they were in competition with the Communists, that there was in fact a race between the Communist world and the free world for the Asian masses.

Mr. Sprague asked what the population of Free Viet-Nam was. Mr. Nhu estimated it at about 12,000,000 as compared to about 14,000,000 in the Communist Zone but said that the Government of Viet-Nam could reverse this situation in about two or three weeks by implementing at an appropriate time the secret plan he had earlier mentioned. Mr. Nhu remarked, semi-humorously, that under such circumstances, having the population advantage, Free Viet-Nam could readily accept the idea of free elections throughout the country. Mr. Sprague asked under what circumstances free elections could be possible throughout Free Viet-Nam. Mr. Nhu remarked that it was not possible to have free elections under a Communist regime and that the Communists didn't even dare to have elections under their own auspices because people were so dissatisfied. Mr. Chuong agreed that free elections would never be possible under a Communist regime and pointed out that in 1945 even with a Chinese Nationalist army present in North Viet-Nam the Communists had been able to carry out rigged elections.

Mr. Sprague asked when the next elections would be held for Free Viet-Nam. Mr. Nhu said in about four years, that is, there would be parliamentary elections every four years and presidential elections every five years. This was why the Vietnamese attached such importance to their five-year plan. President Diem's idea was to leave his successor a simplified situation with which he would be able to cope. Mr. Diem was against the idea of having a president eligible for reelection since this might result in the acceptance of a president who was too old to cope with the difficult problems which Viet-Nam would always have because of her geographical position. But the National Assembly overruled Mr. Diem and provided that a president could serve two terms. In Vietnamese tradition there is no cult of personality such as that which surrounded Stalin, for example, and no hereditary nobility. Even the emperors of Annam did not have personal authority but had to act only with the advice of the government. In the old times the Government of Viet-Nam was a government of the average man, a system which has both advantages and disadvantages.

Mr. Sprague said that the people and the Government of the United States were very impressed by the job which the people and the Government of Viet-Nam had done. We tried to understand Viet-Nam's problems and were anxious to do all we could to help. Mr. Nhu replied that the Vietnamese saw their problems within the framework of all Southeast Asia and that if they had had some success to date it was thanks to American aid and to their own broad concept of their problems. Mr. Sprague said that Mr. Nhu could be sure that we would listen sympathetically to the Vietnamese Government's presentation of its military aid problems.

368. Memorandum From the Deputy Assistant Secretary of State for Far Eastern Economic Affairs (Jones) to the Deputy Under Secretary of State for Economic Affairs (Dillon)[1]

Washington, April 9, 1957.

SUBJECT

Proposal to Send a Bell-Type Mission to Viet-Nam.

Attached is an exchange of memoranda[2] with ICA beginning in December 1955 on the question of a Bell-type mission to Viet-Nam. At his request this file was brought to Under Secretary Herter's attention on April 3.

As this file indicates, the Department has felt that in order to put the aid program in Viet-Nam on a more realistic basis a small group of competent individual experts headed by a personality of sufficient eminence to claim the respect and attention of the United States-Vietnamese Governments should be sent to Viet-Nam in order to recommend policy decisions to be taken with regard to the aid program.

The exchange of views with ICA was briefly as follows:

1. On December 8, 1955, Mr. Hoover sent a memorandum to Mr. Hollister[3] with a detailed enclosure referring to Senator Mansfield's recommendation for a special mission to Viet-Nam and stating that there would be considerable merit in sending such a mission provided its members were carefully selected and the terms of reference well thought out. Mr. Hoover recommended that a special economic mission be sent to Viet-Nam and that the OCB Special Working Group prepare a report on long-range planning for Viet-Nam, Cambodia, and Laos and discuss the terms of a special mission.

2. Mr. Hollister replied on January 20, 1956,[4] that it might be better to postpone sending a special mission to Viet-Nam pending completion of surveys under way. These included a UN technical assistance mission requested by the Vietnamese Government, a prospective IMF Mission, and a costing study then being undertaken by a small working party from Defense, State, and ICA. State Department officials discussed the State Department proposals for a mission with ICA officials and agreed to defer pushing the project until ICA officials had returned from Viet-Nam.

3. On May 15, 1956, Mr. Hollister followed up his January memorandum with a brief note to Mr. Hoover saying that he wondered if it would be wise to appoint still another mission. He en-

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[1] Source: Department of State, Central Files, 751G.5–MSP/4–957. Secret. Drafted by Young and Price. C. Douglas Dillon was appointed Deputy Under Secretary of State for Economic Affairs on March 14.

[2] Not attached to the source text.

[3] See footnote 7, Document 277.

[4] See *ibid.*

closed an internal ICA memorandum listing various types of surveys and describing the nature of the Bell Mission to the Philippines in 1950.[5]

4. On July 25, Mr. Hoover replied to Mr. Hollister[6] stating that the Department of State continued to believe that a special mission was desirable and asked Mr. Hollister to reconsider his view expressed in his memorandum of May 15. Mr. Hoover also attached a short memorandum on implementation of a mission to Viet-Nam.

5. On October 2, Mr. Hollister replied[7] suggesting that it might be better to defer any further action on a special mission until various investigations by ICA and by the Senate Foreign Relations Committee were completed.

6. As pointed out below, the State Department as yet has not replied to that letter but has agreed as an interim measure to the sending of an evaluation team to Viet-Nam provided it is staffed with several outstanding experts in economic development and fiscal affairs.

The proposal for a Bell-type mission has been opposed by ICA for various reasons, including: 1) it would undermine the authority of our existing missions in Saigon; 2) it would lead the Vietnamese to expect a larger aid program; 3) it should await the results of studies by the UN and the IMF missions, and 4) it should await the results of studies of our overall foreign aid program by the Administration and by Congress.

The UN mission prepared its report in late 1956 but up to the present time the Vietnamese Government has successfully opposed its publication and we have been able to receive only bootleg copies of this report. The IMF group visited Viet-Nam in February 1957 but some of the members have not yet returned and its report has not yet been published. The ICA inspection team is due to leave for Viet-Nam next week but so far has no members in addition to the usual team of two men.

After a lengthy discussion within the Department, it was decided not to send a formal reply to Mr. Hollister's latest memorandum on this subject dated October 2, 1956. Rather, oral discussions were held with Dr. Moyer and Mr. Wood of ICA and agreement reached to add personnel to the regular inspection team which ICA was scheduled to send to Viet-Nam in early April.

I recommend in view of the above that you discuss this matter with Mr. Hollister, pointing out the renewed inquiry by Senator Mansfield, and urge on him the necessity of securing one or two top-flight economists to go to Viet-Nam immediately and join the ICA inspection group.

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[5] The Hollister memorandum and the internal ICA memorandum are attached to a memorandum from Hoover to Hollister, May 24, 1956, not printed. (Washington National Records Center, ICA Director's Files: FRC 61 A 32, Box 313, Vietnam)

[6] The Hoover memorandum and the accompanying memorandum are not printed. (Department of State, Central Files, 751G.5–MSP/7–2556)

[7] Not printed. (*Ibid.*, 751G.5–MSP/10–256)

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369. Telegram From the Acting Secretary of State to the Embassy in Vietnam[1]

Washington, April 12, 1957—8:32 p.m.

2673. Joint State–ICA Message. Embtel 2000.[2]

1. Use United States funds purchase lands overseas for foreign nationals would pose serious policy problems.

2. At meeting between Under Secretary Herter and Mr. Hollister[3] there was agreement on desirability proper land reform program in Viet-Nam but that U.S. should not directly contribute U.S. funds to pay Vietnamese landlords for land transfer payments. Instead United States will agree to meet piaster costs of other development program items in Vietnamese budget approximately equal to amount suggested for United States contribution to land acquisition subject to availability funds, thus enabling the Vietnamese Government to meet land acquisition costs.

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[1] Source: Department of State, Central Files, 851G.20/4–1257. Confidential. Drafted by Price and cleared by SEA, FE, E (in draft) and with Herter and Hollister in draft.

After discussion of the question of land reform in Vietnam at the OCB meeting on February 20, a Department of State draft of this telegram was cleared through ICA up to Hollister, who reversed his agency's preliminary approval and vetoed the entire program. Department of State officials were informed that Hollister feared disapproval of a U.S. program designed to pay for private land transfers in Vietnam at a time when general aid programs were coming under increasing criticism, especially in Congress. The Department of State countered that land reform was necessary to strengthen the Government of South Vietnam, to combat Communist influence, and to increase internal security. The Department suggested that U.S. aid funds equal to 5 percent of the cost of the land transfer payments ($3.5 to $4.5 million) be used as a catalyst to get the program started. (Draft memorandum from Jones to Herter, April 2, never sent but handled by telephone; *ibid.*, FE/SEA Files: Lot 59 D 630, Agrarian Reform, and OCB Files: Lot 62 D 430, Preliminary Notes)

[2] In this telegram, December 21, 1956, the Embassy argued strongly for U.S. financial assistance, either direct or indirect, for land reform in Vietnam, which the Embassy staff believed could not get started without such assistance. (*Ibid.*, Central Files, 851G.20/12–2156)

Wesley C. Haraldson, the Acting Director of USOM in Vietnam, in an official–informal letter to Jones, March 2, also argued for U.S. financial assistance and warned that serious political consequences could stem from U.S. failure to support land reform. (*Ibid.*, 751G.00/3–257)

[3] At a meeting between Hollister and Herter on April 8, a compromise to the ICA–State impasse was reached. Herter obtained Hollister's approval of a program with the provisos as described in paragraph 2 above. (Memorandum from Jones to Young, April 8; *ibid.*, FE/SEA Files: Lot 59 D 630, Agrarian Reform)

3. Procedure as set out above based on assumption that piaster costs to be met by United States would be $3.5 million with French and Vietnamese contributing $1.75 million each based on an estimated 600,000 hectares of land to be distributed. Timing of this additional United States piaster cost under caveat para 4 below would be $1.5 million piasters FY 1958 and $2 million FY 1959 from dollar funds of existing appropriations and appropriations for those respective fiscal years as necessary. However if Vietnamese can get program underway rapidly some counterpart funds could be made available during FY 1957.

4. In your discussions with Vietnamese you should point out we are not now in position to authorize commitment of dollar funds beyond Fiscal Year 1957 and you should avoid explicit or implicit commitment of United States to furnish dollars or piasters whose availability depends on future appropriations. Rather you may suggest to Vietnamese that if Congress appropriates funds for aid to Viet-Nam in Fiscal Years 1958 and 1959 United States would react favorably to Vietnamese request for assistance to meet costs administration land reform program and other development program items in Viet-Nam budget per para 2 above.

5. You may inform Vietnamese United States prepared meet costs administration land reform program in Fiscal Year 1957 within existing programmed funds.

6. We believe certain corollary actions by Vietnamese Government required if proposed program to be successful. Therefore, Vietnamese Government should give assurances it will make every effort improve and expand its agricultural extension service, agricultural credit facilities, and farm cooperatives.

Herter

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370. Letter From the Assistant Secretary of Defense for International Security Affairs (Sprague) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)[1]

Washington, April 15, 1957.

Dear Mr. Robertson: Recent developments have brought about a new urgency in resolving the problem of the ceiling on U.S. military personnel in Viet-Nam. You will remember that by interdepartmental agreement early in 1956 there was established a ceiling of 692, which includes 342 for the MAAG and 350 for TERM, the Temporary Equipment Recovery Mission.

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[1] Source: Department of State, Central Files, 751G.5–MSP/4–1557. Secret. Printed also in *United States–Vietnam Relations, 1945–1967*, Book 10, pp. 1098–1099.

Two facets of the problem now point to the necessity of doing away with the MAAG ceiling and permitting the Departments of the Army, Navy, and Air Force to augment MAAG Viet-Nam with the additional personnel necessary to accomplish the mission there.

The first aspect is that raised in the telegram from the Embassy in Saigon to the Department of State, 2772, of 12 March 1957, which points out that the International Control Commission is becoming increasingly more restive in respect to TERM and recommends consideration of several courses of action.[2] The Department of Defense concurred in the April 9 Department of State telegram to Saigon[3] which stated that a solution of the problem along the lines of incorporating TERM into an increased MAAG was under study and that the Department of State would discuss the problem with the Canadians, British, French, and Indians. This telegram was the result of a conference on March 20 of staff representatives of the two departments in which Ambassador Durbrow participated.

The second aspect of the problem is the necessity for taking over the training of the Vietnamese Navy and Air Force. It will be remembered that TERM was created for a dual purpose, to provide a logistical organization to resolve the problems of excess property in Indochina and logistical training in Viet-Nam, and to free the MAAG from other duties so that its personnel could concentrate on the training of the Vietnamese Army. The withdrawal of the French Army training personnel required this increased emphasis on training. In the telegram from Chief, MAAG Viet-Nam 5607 of 4 April,[4] we have been informed that President Ngo Dinh Diem told the Chief, MAAG that agreement had been reached with the French Ambassador for the withdrawal of the French Air Force and Navy training missions upon the completion of the present courses of instruction. The first completion is scheduled for this month, and additional U.S. military personnel will be required to pick up the training from the French. CINCPAC has requested in his 062352Z of 6 April[5] that additional personnel over and above the present ceiling reach Viet-Nam in June of this year.

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[2] The four recommendations of possible courses of action in this telegram were: 1) continuation of exchange-of-letters exercise conceding nothing, making no commitments, and hedging on details and assurances; 2) gradual withdrawal of TERM; 3) general compliance with ICC demands and controls on TERM; and 4) abolishment of TERM and corresponding increase in MAAG Vietnam or creation of new permanent mission to perform TERM's functions. The Embassy recommended the third of these courses for the "immediate future, with serious consideration" of the second and fourth options "as eventual alternatives. It increasingly difficult and embarassing to maintain indefinitely a mission, mainly engaged in training, under guise of a temporary mission solely concerned with recovery and out-shipment equipment." (Department of State, Central Files, 751.5–MSP/3–1257)

[3] The reference is to telegram 2630 to Saigon, April 9, not printed. (*Ibid.*)

[4] Not printed. (Center of Military History, Williams Papers, TWXs 1957 (14))

Other aspects of the problem of the ceiling include a request from President Diem for additional Army instructors at the Viet-Nam military academy, a proposal by CINCPAC to transfer underway training of the Vietnamese Navy from Subic Bay to Viet-Nam, and the current difficulty in operating MAAG and TERM efficiently within their present ceilings.

An increase in MAAG strength to achieve a rapid improvement in the effectiveness of Vietnamese forces to compensate for the withdrawal of French forces is considered a matter of urgency. While the French have withdrawn approximately 190,000 regular troops from Viet-Nam since the Geneva Agreement was signed the Viet Minh have continuously reorganized and re-equipped their forces during the same period so as to increase their regular combat strength from six to eighteen divisions. These forces have a capability of conducting combat operations at Corps level. The Vietnamese Army consists of ten divisions which are in the early stages of training at regimental and division level. The current military situation requires that the Vietnamese armed forces expeditiously attain a satisfactory level of combat effectiveness.

In view of the forthcoming visit of President Diem to Washington on May 8th, 9th, and 10th and of the impending training crises for the Vietnamese Navy and Air Force I recommend that steps be taken as a matter of urgency to secure the necessary international concurrences in the abolition of the ceiling on MAAG Viet-Nam. I feel it might be desirable to have this problem resolved, if possible, prior to the arrival of President Diem in Washington so that he could be informed at that time of our plans to assist him in the training of his Navy and Air Force.

Sincerely yours,

Mansfield D. Sprague

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[5] Not printed. (*Ibid.*)

371. Memorandum for the Record, by the Assistant Secretary of the United States Army General Staff (Roberts)[1]

Washington, April 16, 1957.

SUBJECT

Report of Chief of Staff's Trip to the Far East Southeast Asia, and Pacific Areas, 16 March–12 April 1957

. . . .

X. Vietnam

A. Briefing, MAAG Vietnam Staff, 1420–1450 Hours, 29 March 1957.

This briefing consisted of a review of the mission, organization, over all problems and their status with respect to MAAG Vietnam. Major points developed in the briefing were:

1. There are four principal areas in which MAAG Vietnam operations are different from other MAAGs:

a. The international ceiling which is imposed upon the number of U.S. military personnal which may be used as advisors to Vietnam (this by terms of the Geneva Accords) is not predicated upon any sound basis.

b. Whereas other MAAGs are engaged in bringing MDAP matériel into a country, MAAG Vietnam has the additional responsibility of out-shipping MDAP.

c. While other MAAGs are associated with countries building up to reach a certain force goal, MAAG Vietnam is operating in an aftermath of the Indochina War and the Vietnamese are in the process of reducing a force goal.

d. The combined training mission assigned since 28 April 1956, the date of dissolution of the French High Command. The French are no longer associated with the training of Vietnamese Army troop units. This function is assigned to MAAG Vietnam. However, the French are associated with training Navy and Air Force Vietnamese units.

2. Fortunately, the Temporary Equipment Recovery Mission (TERM), arrived to assume its function at the peak of equipment deliveries scheduled for the Vietnamese Army. TERM has declared excesses for outshipment in amount of $132 million. $100 million worth of equipment has actually been out-shipped and $13.4 million has been disposed of locally.

3. A 150,000 man force goal has been approved for the Vietnamese Armed Forces. This is contrasted against the recommended force

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[1] Source: National Defense University, Taylor Papers, T-23-71. Top Secret. Extract. The omitted portions comprise reports on Taylor's trip to the western United States and 11 other countries of Asia.

basis of 170,000 men suggested by MAAG, Vietnam. Present training of this 150,000 force basis is aimed at internal security with the development of a capability of limited initial resistance against aggression. The Army will be composed of three-year volunteers and two-year conscripts. In order to get in within the 150,000 force basis, the MAAG proposes to recommend reduction in the number of territorial regiments proposed in the force structure from 13 to 7.

4. Vietnam, for defense, is divided into regions. Division forces are stationed in each of the four principal regions. All decisions regaring the Armed Forces are made personally by President Diem and control is closely centralized. The defenses are predicated upon a delaying action falling back on the defenses of Saigon. General Williams is seeking to correct this defensive concept which stems basically from the French. He hopes to develop a revised concept based upon the employment of mobile reinforcements and fighting the divisions as units rather than the parceled out "Beau Jests [*Beau Geste*]" pattern of fighting now visualized.

5. MAAG Advisors are located at the following levels: DOD, ARVN General Staff, U.S. HQ, Military Regional HQ, Field Divisions, Light Divisions, Territorial Regiments, Military Schools, Training Centers and logistical installations.

6. The Geneva Accords preclude the introduction of new equipment and replacement of that presently there except on a piece-for-piece basis. Though the U.S. is not a signatory to these Accords, and there is no requirement to abide by them, we have so far. The first real test of what we must do will come with equipment to be provided under the FY 57 program. New equipment is included in this program, which may not be introduced under a strict interpretation of the Accords.

7. There has been a significant increase in school training. 437 spaces were requested for FY 56 as contrasted with 1247 requested in FY 57.

8. Training is interrupted by operations against sects, requirements for reorganization and regrouping, inadequacy of training facilities and the necessity for construction of temporary housing.

9. Internal security forces presently number 23,000. 27,000 are authorized. These are organized into units to provide local security. It is hoped that once the internal security forces have developed an organization, is properly commanded and trained, this force can relieve the Vietnamese Army of internal security commissions now being performed by the regular forces. They will need some equipment principally rifles and the like. Ammunition will be a problem as there are no war reserves built up in Vietnam. General Williams believes that the internal security force should be supported to the extent of being provided with small weapons. 27 Advisors from Michigan

State University are in Vietnam working on this organization. General Williams is not sure as to just what they are doing. He seemed to feel that they were getting into his field.

10. President Diem has recently undertaken a project of resettlement in the plateau area. This is handled on a land-grant basis by giving ex-soldiers and ex-members of the internal security force parcels of land for resettlement homesites. Approximately 45,000 people have been so settled. General Williams feels that this is particularly advantageous as a buffer against communist infiltration.

11. In referring to the organization of the Vietnamese Light Division, General Taylor felt that the structure seemed grossly out of balance. He observed that the subordinate units would not be capable of independent operations. He suggested that General Williams have a look at the battle group type of organization proposed for the new Airborne Division. General Williams replied that he was looking this organization over carefully but that he had not discussed it with the Vietnamese because of the conflict which would be presented with his efforts to get them to think in terms of division units rather than small separate units. He wants to get them away from the separate battalion type fighting. General Taylor said he agreed with General Williams' approach.

12. In response to a question from General Taylor as to whether or not the defense of Vietnam had been war-gamed, General Williams replied in the negative. The Vietnamese have not yet arrived at that stage in defensive planning.

13. General Taylor then inquired as to the length of service required in the Vietnamese Army. He was told that the length of service is three years. The Vietnamese have not yet developed what could be considered as a hard core nucleus in the Vietnamese Army because of the turnover which has been characterized in the past. General Williams thought that the long-term prospects of developing such were excellent. In response to a question from General Taylor regarding the situation along the 17th parallel, General Williams told him that the situation there is completely unlike that of the demilitarized zone in Korea. Most of the Viet-Minh forces are concentrated in the Hanoi area with civilian police patrols manning the border. It is not too difficult to secure passage from North to South Vietnam. Infiltrators and line crossers are introduced in this manner.

14. In regard to the problem of the language barrier among the Vietnamese students attending CONUS schools, General Taylor was told that special translators are provided for courses at these schools. Meanwhile, the Vietnamese are concentrating on English language training in their military schools.

B. General Taylor called upon President Diem, the U.S. Ambassador, the Chief of Staff of the Vietnamese Army and visited the Vietnamese Army Basic Training Center and Logistical installations. He conferred with General Festing,[2] CG British Forces, Far East, and talked to the officers of MAAG Vietnam from 1030–1100 hours, 30 March.

C. Major points of discussion between General Taylor and President Diem, 29 March.

1. Present:

President Diem
General Taylor
Mr. Anderson (American Chargé d'Affaires)[3]
Lt General Williams (Chief of MAAG, Vietnam)

2. President Diem made a point that the U.S. supported ceiling for the Vietnamese forces should be increased from 150,000 to 160,000 in order to increase elements of the Armed forces, such as the Navy, which he considers to be under manned. In support of his views, he pointed out the discrepancy in size of forces between Free Vietnam and North Vietnam and mentioned that he had recently read that the Chinese were furnishing 200 gun boats to the Viet Minh Naval Forces.

3. He made a point for increased local procurement in Vietnam by the U.S. Forces as a means of building up Vietnamese industry.

4. He discussed the disagreement with USOM on the priority of road building within Vietnam. President Diem supported by General Williams considers that the strategic road running from east to west and making junction with the Coastal Road No. 1 should be given priority. USOM, on the other hand, felt that first priority should be for Road No. 1 running north and south along the coast.

5. He reviewed the politico-military situation in Laos and Cambodia. He expressed in this review grave reservations concerning the communist threat in these countries and the threat which communist infiltration presented to the security of Vietnam.

6. President Diem is not satisfied with the French Mission in Vietnam. He said he contemplated ending this mission at the end of the present course at the General Staff College which will take place in April. There are approximately 200 French personnel in this Mission.

7. He spoke of the activities of the International Control Commission and said that there was some talk among the Indian and Canadian members of the ICC that it may be withdrawn in July of this year. He said that recently the Commission had decided to move to Saigon from its former location in Hanoi. President Diem pointed out that the ICC posts along the Vietnamese-Chinese Border were completely inadequate to contol such a long stretch of territory and

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[2] General Sir Francis Festing.

[3] Daniel V. Anderson's permanent title was Counselor of Embassy.

added that the communist members of the Commission bring up frequent fictitious complaints in order to visit areas in Vietnam.

. . . .

E.B. Roberts
Lt Colonel, GS

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372. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State[1]

Saigon, April 29, 1957—6 p.m.

3280. Following is summary requested para 2 Deptel 2692:[2]

1. Internal Political

Diem undisputed leader of country. Although obviously respected he does not enjoy nation-wide popularity. Government policies reflect his convictions and attitudes his thinking still largely conditioned by sense of general vulnerability of Vietnam which he destined save. From this view have flowed two major preoccupations:

a. Need for centralization. Diem has achieved primary goals of establishing his firm control over central government and in general government's authority over entire national territory.

b. Need for security. Although large measure security achieved, isolated but not insignificant acts of violence still occur and Diem views certain undeveloped areas highly vulnerable to penetration. Despite improvement over last year, present Communist and sect subversive capabilities undoubtedly remain important, particularly if supported from Cambodia. Attempted assassination at Banmethuot has strengthened his fears. He has become more intolerant of dissenting opinions, keener to force through his program of settlements in border and highland areas and to strengthen his security forces.

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[1] Source: Department of State, Central Files, 751G.11/4–2957. Secret. Also sent to Phnom Penh, Bangkok, Vientiane, Taipei, Tokyo, Paris, London, and New Delhi and passed to the Department of Defense for CINCPAC.

[2] This telegram, April 15, reads as follows:

"In preparation Diem visit request following info by telegram by April 30:

"1. Best estimate points Diem likely raise and Embassy suggestions or comments relative thereto;

"2. Brief overall summary situation and prospects Viet-Nam highlighting particular problems as of end April." (*Ibid.*, 751G.11/4–1557)

Paragraph 1 was answered in telegram 3292, April 30. (*Ibid.*, 751G.11/4–3057)

In carrying out policies Diem, distrustful by nature, continues rely heavily on small circle of advisers including members of his family.

Diem's rigidity in pursuing goals and brooking no opposition has alienated many able persons. He has antagonized in varying degrees the Chinese and certain Catholic elements and has not yet sought regain loyalty defeated Cao Dai and Hoa Hao. Policy towards Chinese (citizenship law combined with exclusion foreigners from eleven occupations) aimed at breaking Chinese hold over economy threatens some possible economic disorganization and serious damage prestige of Taipei to advantage of Peiping among Chinese Vietnam. Dominant position of family has with some justification made it natural target of criticism and, although Diem himself above suspicion, some members family often accused of corruption.

Although successes over past year remarkable and degree of stability and security achieved now make long-term planning possible, regime still not successful in overcoming native complacency and generating broad popular support or enthusiasm. In event Diem disappeared, most probable Vice President Tho could take over but with army arbiter of situation. Embassy knows of no other figure capable of effectively replacing Diem. Despite fragility regime, strength of country far greater than that of others in area and greatly improved during past year.

Assuming present regime able remain in power and maintain security long-term strength of regime and ultimate public support will depend on its capacity show appreciable rate of progress and thereby effectively compete with north. This Diem understands and now most concerned obtain early results in social and economic fields. He has repeatedly stated in past year that north-south contest moving from phase of military propaganda to one of economic competition.

2. International

Relations with France have improved appreciably over past year though still subject to fluctuations. French have decided withdraw military contingent from Seno supply base at Saigon and Diem has requested withdrawal of French navy and air force training missions, which will mean virtual elimination French military from Vietnam. If other irritating problem of transfer of common properties can be solved quickly, believe there chance of more fruitful development relations in economic and cultural fields. However, Diem remains deeply distrustful of French and this attitude is shared or reflected by most top officials. He is particularly bitter about machinations in Cambodia and Laos of French "colonialist" officials.

GVN continues snub GRC by delaying send Minister to Taipei although Chinese Minister Yuan arrived Saigon January 8. GVN policies this matter and re Chinese Vietnam may well affect GRC prestige in area. However Diem determined rectify special privileged position Chinese obtained under French. He considers that Nationalist China has no influence on local Chinese, a few whom are Communists and many fence sitters secretly proud of China's newly won "independence."

Relations with Japan have not been cordial and question of reparations remains unsolved. Diem fears Japanese economic penetration as prelude to political domination and there are indications GVN may try boycott Japanese goods.

Diem increasingly concerned developments Laos and Cambodia. He appears convinced Communists coordinating subversion efforts Vietnam from Cambodia. He sought recently through Chau–Sihanouk meeting reach reconciliation of differences with Cambodia and there are indications of some progress.[3]

Relationship with Laos considerably easier than with Cambodia. Nevertheless, Diem currently worried that Petsarath may become Prime Minister and make coalition deal with Pathet Lao that will result Communist domination Laos and consequent threat GVN.

President has continued to seek greater support from countries this area to build up position GVN against DRV and had planned number of short official visits. First one scheduled for Philippines cancelled by Magsaysay's untimely death.[4] Vietnam has succeeded in having SEATO members take its participation under consideration and has also continued making effort to be represented at maximum number international conferences where it has sent generally able representatives. It now seems certain Colombo Plan Consultative Committee will meet here in autumn.

3. Economic

Economic situation good and progress made during past two years remarkable. This year government operating under well-prepared balanced budget (including aid) approved by National Assembly February along with new taxes designed increase revenues and siphon off windfall profits. On strictly government account, government cash expenditures have been covered by cash receipts, including US assistance on military expenditures, for last 13 months. In foreign exchange field, limited-access market has provided means for profit transfers. In import licensing, improvements have begun to result in increased arrival of merchandise. Local money market presently so tight that National Bank credit at five percent will soon be required.

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[3] Acting Foreign Secretary Chau met with Sihanouk at Siem Reap March 2–4 for discussions on current Vietnamese-Cambodian political-military affairs. (Weeka 10, telegram 2736 from Saigon, March 9; *ibid.*, 751G.00(W)/3–1157)

[4] On March 17

Retail and wholesale price indices at end of 1956 declined to levels of September 1955 and are still generally stable. Supplies of goods more than adequate in most categories.

Agricultural production continuing increase in most lines. Exports of rubber, rice and miscellaneous commodities, most of which enjoy special exchange rate, expected to increase value or level of imports not expected increase and will continue function in generating piasters to support military and economic programs.

Announcement of satisfactory investment policy seemed to offer possibility of improving investment climate. However, GVN attitude towards specific pending private investments (Toica 1550 of April 26)[5] indicates for time being policy not likely to be applied. Prospective early conclusion FCN treaty with US will be helpful.

Some new native small-scale investment appears be taking place while several foreign investors showing interest. Barring unforeseen developments Vietnam should show continuing economic progress in 1957. This year first time GVN has been able concentrate on economic problems and begin to think in terms of long-range program economic development looking toward achievement self-sustained economic growth.

American economic aid programs likely continue have important beneficial effect in basic fields of transport, education, public health, agriculture and selected industries.

4. *Military*

Steadily improving Vietnamese military posture now assures fulfillment of internal security mission and allows greater emphasis on defense against external aggression. However true value of progress lies not in physical improvements but in fact military forces are in state of transition. Previously self-satisfied military beginning become aware of weaknesses. Understanding and acceptance facts of situation, close cooperation with MAAG and TERM, willingness correct deficiencies, realization need for austerity lay foundation for progress in all fields.

However, low education level, lack of command and planning experience, paucity of technical know-how and long acceptance of low standards cannot be quickly overcome. Following are major problems and prospects for solution:

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[5] Not printed. (Washington National Records Center, ICA Message Files: FRC 58 A 403, Box 173, Saigon)

a. Defense planning gradually becoming competent and realistic but will continue inadequate until efforts all SEA nations are integrated. SEATO remains key to establishment required solidarity.

b. President and some members his staff realize need for plans mobilize all resources in defense Vietnam. Such plans beginning to be developed. Current conscription planning may soon be implemented and eventually result in creation reserve force which will strengthen defense and ultimately permit adjustments in structure all armed forces in line with local support capabilities.

c. Deficiencies in administration, ill-drawn command lines, and inadequate documentation are being met by rewritting tables of organization and by joint MAAG–RVN [*ARVN*] development new overall organizational concept to define lines of responsibility and functions.

d. Progress against low-education level expected through maximum use off-shore schools, development local schools, and possible employment US instructors in military academy which has agreed adopt four year curriculum. Plans drawn up to conduct special training course in Thailand and air–ground operations course in Okinawa to develop Vietnamese potential. Air–ground operations training will be given at San Diego to cross-train key Vietnamese officer graduates of US schools.

e. Military efforts to bring full internal security to highlands include major program of psychological action, coordinated with US and Vietnamese civil program.

f. Expected early departure French air and naval training missions will add to MAAG burden and require limited increase personnel. If this personnel provided together with Vietnamese graduates of US schools, expect no difficulty assuming present French responsibilities and decided advantage having one doctrine and one set standards.

g. Plans drawn up for increasing naval shipyard capabilities to allow overhaul and repair all Vietnamese ships and some other Asian vessels with full operation of shipyard by fall 1957. GVN desires use shipyard for development civilian capacity, dependent on development sound plans; therefore, no evident conflict with navy plans at present.

h. As yet no replacements programmed for F8/RF8 and L–19 aircraft scheduled for retirement from USAF inventory in June 1958 and 1959 respectively.

i. Efforts raise capabilities for aircraft overhaul recently assisted by GVN allotment 10 million piasters to governmental owned Air Vietnam for technicians training and equipment. SAMAP is investigating overhaul capabilities Air Vietnam and is reported optimistic.

j. Problem improving airfield facilities being only partially met by USOM FY57 and FY58 civil aviation projects.

k. Modern fiscal and budget procedures being urged to improve previous inefficient system.

l. Control of logistics continues a major problem. General answer lies in pursuing actions already instituted by TERM and higher headquarters. Successful development logistical capability depends upon continued support of US and retention MAAG/TERM at no less than current strength plus augmentation to replace French training missions.

Durbrow

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373. Editorial Note

On May 5, President Diem and his party arrived in Honolulu and began a 21-day visit to the United States. After stopping in San Francisco, Diem arrived in Washington on May 8 and took part in a series of ceremonial functions and substantive discussions with high-level members of the United States Government. On May 12, Diem left Washington for New York where he visited Maryknoll Seminary and New York City and Seton Hall University in New Jersey. On May 14, Diem traveled to Detroit and on to Michigan State University where he was awarded an honorary degree. Diem then traveled to Knoxville, Tennessee, Los Angeles, and back to Hawaii on May 20, from where he departed for Saigon.

Included in Diem's party were Nguyen Huu Chau, Secretary for Interior and Secretary of State at the Presidency; Tran Le Quang, Secretary of State for Public Works and Communications; General Tran Van Don, Chief of Staff of the General Staff and senior aide-de-camp to Diem; Huynh Van Diem, Director General of Planning; and Vu Van Thai, Administrator General of Foreign Aid. An official American party traveled with Diem and included the United States Chief of Protocol and the new American Ambassador to Vietnam, Elbridge Durbrow.

Extensive briefing material on the visit is in Eisenhower Library, Whitman File, International Meetings, Diem Visit, 55–57; in Department of State, FE Files: Lot 60 D 514, Ngo Dinh Diem; and *ibid.*, Conference Files: Lot 62 D 181, CF 887. The latter lot file also contains the most comprehensive and best organized record of the substantive discussions of Diem and his party with United States officials while in Washington.

374. Letter From the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Assistant Secretary of Defense for International Security Affairs (Sprague)[1]

Washington, May 6, 1957.

DEAR MR. SPRAGUE: We are still studying long range solution of the TERM and MAAG problems along the general lines set forth in the Department's telegram 2630 of April 9[2] and Embassy Saigon's telegram 2772.[3] The related problem, also described in your letter of April 15, which is presented by President Ngo Dinh Diem's intention to send away the French air and naval training missions, is also being considered. This problem appears to be by itself considerably less urgent than the basic MAAG–TERM problem since when the possibility of a French withdrawal of their air and naval missions arose last summer we made plans to assume the functions of those two missions within the MAAG ceiling should they be withdrawn.

The main problem as we see it remains the augmentation of the army training mission. The situation presented by the impending withdrawal of the French air and naval missions and the few French army personnel still in Viet-Nam should be regarded primarily as providing an additional reason for bringing about a solution of the army training problem.

As a first step toward finding a solution to this problem we intend informally to sound out the British, French, Canadians, and Indians in order to get some determination of their probable reaction to what would be for all practical purposes the incorporation of TERM into MAAG. We would explain that TERM's original mission had almost been accomplished and that urgent new problems have arisen requiring new solutions. We would emphasize that the total number of technicians included in the newly organized MAAG would be insignificant in comparison with the total number of French combat troops withdrawn since the armistice began. We would also stress the problem presented by the departure of the French air and naval training missions as well as the French elements still attached to army training facilities and the miscellaneous French elements whose presence in South Viet-Nam contributed to the performance of the French air and naval training missions.

This is, of course, an extremely delicate matter which will have to be worked out in terms of our relations with those friendly nations having an interest in the Geneva armistice control machinery and in the light of our best estimate of the probable Communist reaction to the expansion of MAAG. For these reasons and in view of our Embassy's warning in Embassy telegram 3079[4] that prompt arrival of U.S. naval and air personnel would be a strain on our relations with the French and cause obvious problems with the ICC, it seems impractical as well as undesirable to resolve this question prior to President Ngo Dinh Diem's arrival in Washington on May 8. We hope, however, to commence our discussions with other friendly powers before that time and to talk with President Ngo Dinh Diem about the whole problem during his visit.

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[1] Source: Department of State, Central Files, 751G.5–MSP/3–1257. Secret. Drafted by Corcoran and cleared by Kocher, Young, and Jones.

[2] See footnote 3, Document 370.

[3] See footnote 2, *ibid.*

Sincerely yours,

Walter S. Robertson

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[4] Dated April 11, not printed. (Department of State, Central Files, 751.56351J/4–1157)

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375. Memorandum of a Conversation, The White House, Washington, May 9, 1957, 11:13 a.m.–12:05 p.m.[1]

SUBJECT

General Discussion of Situation in North Viet-Nam by President Ngo Dinh Diem

PARTICIPANTS

President Eisenhower
His Excellency Ngo Dinh Diem, President of the Republic of Viet-Nam
His Excellency Nguyen Huu Chau, Secretary of State to the Presidency and Secretary of State for the Interior
His Excellency Tran Van Chuong, Ambassador of Viet-Nam
The Secretary of State
The Honorable Walter S. Robertson, Assistant Secretary of State for Far Eastern Affairs
The Honorable Elbridge Durbrow, American Ambassador to Viet-Nam
Mr. Charles Sedgwick, Interpreter

After introductory remarks by the President praising President Diem for the excellent achievements he has brought about in the last three years in stabilizing the situation in Viet-Nam, President Eisenhower asked President Diem to outline the principal problems he is facing today.

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[1] Source: Eisenhower Library, Whitman File, International Meetings, Diem Visit, 5–57. Drafted by Durbrow; initialed by Durbrow and Robertson. Another copy is in Department of State, Secretary's Memoranda of Conversation: Lot 64 D 199.

Information on location and duration of the meeting is derived from Eisenhower Library, President's Daily Appointments.

President Diem replied that his country has gone through a very grave and serious crisis and has been able to hold on despite strong pressures from all sides. The principal problem of establishing internal security and building up their defense posture has been achieved to a considerable extent. The principal reason Viet-Nam has been able to hold out against these pressures has been because of the sympathy and encouragement given by the United States despite the fact that for a time even some people in the United States did not think that the Diem government could maintain itself.

At the present time Viet-Nam is faced with the possibility of a strong Communist offensive from the Vietminh who have 400 thousand men under arms. Fortunately, however, the Vietminh are faced with serious problems such as high taxes needed to maintain this large force and must have other controls which have caused discontent among the population in the North. Diem feels that Red China is faced with the same problems. They are maintaining a large army which requires heavy taxes and controls over the people, which Diem hopes in the long run will force the Chinese Government to demobilize a considerable portion of their forces and treat the people in a more liberal manner. There is, nevertheless, the possibility that the Vietminh with their large army might try to attack now while they have a superiority in numbers. The Vietminh during the first year after the Geneva Conference did not think it would be necessary to use armed force to take over the South; they thought the government in the South would crumble and they could take over without difficulty. With internal stability in Free Viet-Nam and the build-up of their own armed forces, they have now the possibility of holding out for a few years more during which time Diem reiterated the strain and drain on the economy of the Vietminh may cause them to demobilize some of their forces and adopt a more liberal attitude toward the population.

Free Viet-Nam now has 150 thousand men under arms which has been the principal deterrent to an armed attack from the North. In order to put the Free Vietnamese forces on a more solid basis, Diem has recently decreed universal conscription. In three years, over two-thirds of the forces in Free Viet-Nam will be conscripts. This development will cut costs considerably since conscripts will only be paid about half as much as the regular troops are paid today.

Despite the fact that the Free Vietnamese forces have been built up into a fairly strong organization, the structure of the army is not orthodox. Diem pointed out that the figure of 150 thousand was arrived at during the time the French had considerable military influence in Viet-Nam and the French were convinced that it would not be possible by training to make good soldiers out of the Vietnamese. The French, therefore, proposed the creation of a mixture of light (about 5500 men) and heavy (about 8600 men) divisions. Furthermore, the so-called heavy divisions were not really heavy in fact. Diem would like to have a more balanced military force by having the army made up of all heavy divisions of 10 thousand men each. In order to do this, the overall number of troops under arms should be raised by 20 thousand to 170 thousand. This increase can be brought about with the change over to conscription, without additional cost for the remainder of the calender year 1957, since there is enough material on hand for the initial equipping of the additional 20 thousand men. However, as the American military advisers in Viet-Nam know, a lot of the logistical support equipment is old and they do not have enough artillery. This, therefore, should be replaced as soon as possible. The Vietminh have three times as much artillery as Free Viet-Nam and with that they could probably break through the demarcation line at the 17th parallel.

In Diem's opinion his main military requirement is ground forces. Diem is convinced that because of the poor visibility of low cloud cover prevailing through most of the year, it would be difficult if not impossible to give adequate air support to the ground forces. He is afraid, also, that any Vietminh-Communist attack would probably come down the Mekong River Valley through Laos, which is a scantily populated area where it would not be possible to use tactical atomic weapons since there would be no concentrated targets suitable for A-bomb attacks. He added that while the Laotians are sympathetic to the Vietnamese cause, they do not have a strong army and hope that the Vietnamese could help defend Laos. The Laotians, however, do not have too much courage and are intimidated by the presence of Red China to the North.

Diem then reiterated that Viet-Nam has attained stability due primarily to the volume of American aid. He pointed out that the magnitude of American aid permitted the US Government to have a large number of advisers and consultants in Viet-Nam who not only can assist Viet-Nam with its problems but also follow closely developments and the use to which aid is placed. In contrast, the small amounts of aid given to other countries, such as 20/30 million dollars, does not permit the US Government to maintain such close control over developments in other countries as is the case in Viet-Nam. Diem pleaded for the maintenance of the present aid level of 250 million dollars a year of which 170 million dollars is allocated for defense purposes. This aid has permitted Viet-Nam to build up its armed strength and thus play an important role in Southeast Asia. If this aid should be cut both the military and economic progress would have to be reduced. This would cause serious repercussions not only in Viet-Nam but among neighboring countries in Southeast Asia who look on Viet-Nam as an example of the good US aid can bring. Any cut would also bring serious political repercussions in Viet-Nam.

When asked about the possibility of devaluating the currency, Diem replied that any devaluation would bring about serious military and economic problems unless production should be increased sufficiently to prevent inflation. He added that they are just beginning their industrial development and if they should devaluate now the results would be disastrous for the economy. Diem reiterated that Viet-Nam is a pilot experiment in Southeast Asia which has made a strong impression on other countries in that area. He pointed out that in 1954 and 1955 the Indian Government did not believe that Free Viet-Nam could hold out against the Communists. Now, however, basically because of American aid, the situation has been stabilized and the Indians are now looking on Viet-Nam sympathetically.

Defense Plans

Diem outlined his strategic defense plans emphasizing first of all the need for a highway system in the plateau area. He stated that such a plan had been devised by the French after the First World War but had never been implemented. This plan was devised in order to operate against an attack by way of Laos. Diem is convinced that the new highway system should be given high priority. Diem stated that if the Communist attack comes, it will probably come by way of Laos which is the easiest route, through a sparsely populated area which constitutes an easy area for infiltration. In connection with Diem's general strategic concept and the request for additional force levels, President Eisenhower asked whether the Geneva Agreement prohibited such increase. Diem replied that there are no limitations on the strength of the armed forces of either North or South Viet-Nam in the Geneva Agreement. Under the Agreement, however, additional war matériel could not be brought in but provision is made for the replacement of worn-out matériel. Diem pointed out that the French have withdrawn a very large quantity of matériel so that it would be legally possible to replace this matériel with new equipment within the provisions of the Geneva Agreement. President Eisenhower asked whether, with the planned conscription there would also be a hard corps of professional soldiers and whether the officers and men are given sufficient pay to make a military career attractive. Diem replied that about one-third of the future army forces would be professionals and the pay was high enough to be attractive.

President Eisenhower then reminded Diem that his territory is protected by SEATO. Diem agreed but believes he should have enough troops of his own to carry out his own defense. President Eisenhower then asked Diem whether the proposed highways were primarily important from a purely military standpoint or whether they were also economically desirable. Diem replied that the roads were important both from a military and economic point of view. The President, half jokingly, said that there was an old adage that roads sometimes were a "golden bridge for your enemies". Diem replied that this aspect had been given careful study and his experts are convinced that the roads are important for the defense of Viet-Nam because the present highway system is very vulnerable and inadequate. These roads in the high plateau area are not only militarily necessary but from an economic point of view they would permit the opening up of new farm land, allow these scarcely populated areas to be filled by people from the crowded coastal area and thus fill a vacuum in a vulnerable area which is now easily subject to infiltration. Regarding SEATO, Diem said that he has studied this question carefully and while SEATO constitutes a good deterrent, there are only two countries which could possibly come immediately to the aid of Viet-Nam—Thailand and the Philippines. Pakistan is too far away. However, the Filipinos only have about 60 thousand troops and they would be needed to defend the Philippines and could not come to the aid of Viet-Nam. The Thais only have about 150 thousand men under arms and if an attack on Thailand should come by way of Laos these troops would be needed to defend Thailand itself. Diem feels there is a strong possibility that given the revolutionary situation in Southeast Asia, the Vietminh might attack by commando methods which would be hard to stop unless Viet-Nam has a sufficiently large ground force. Such type of warfare would not lend itself to tactical atomic weapon defense and Diem again questioned whether the SEATO plans which call for use of both tactical atomic weapons and air offensive would be effective in Viet-Nam where visibility is poor because of the overcast conditions throughout most of the year and the lack of any real concentrated targets for atomic weapons. Therefore, Viet-Nam must be in a position first of all to discourage an attack by having a large enough army. Secondly, if an attack should come, it would be possible with sufficient forces to hold out until SEATO machinery can get into operation. For psychological as well as political reasons, it would be necessary for Viet-Nam to counter-attack as soon as possible. This must be done by Vietnamese troops and not foreign troops. While naval and air support would help to diminish enemy potential and permit naval landings in the North in a drive toward Hanoi, most of the military operations would have to be done by ground troops.

President Eisenhower stated that he, of course, understood the need for a strong army but the maintenance of a large army brings about serious political and economic problems. While the US wants to do all it can to help its friends, it must be remembered that we have many international commitments which we must live up to and we have undertaken great obligations from Korea to NATO and the volume of aid we can give is not limitless. For these reasons, we must use our best judgment in allocating the resources we can make available. Our problem is to do all we can to fight Communism as well as develop satisfactory solutions for many problems facing us and the free world. We must, therefore, study these problems from a global point of view and adopt the best programs for all concerned.

Devaluation

Secretary Dulles again brought up the question of the possible need to devaluate the Vietnamese currency by pointing out that the official rate is about 35 to the dollar and the Hong Kong black market rate is about 100 to the dollar. He wanted to know whether Diem planned for a devaluation. Diem replied that this is a very serious and complex problem but he agreed to make a joint study of the matter.

Résumé

Diem stated that he is convinced that all must be done to advance the successes which have already been attained in Viet-Nam and he hoped that assurances could be given that future aid would continue at the present level. President Eisenhower replied that he has not had an opportunity as yet to study the proposed distribution of aid for fiscal year 1958 and emphasized that the amount of aid for that year would depend upon what the Congress will do, but in any event, he promised Diem to do the best we can once it is known how much money will be available.

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376. Memorandum of a Conversation, Blair House, Washington, May 9, 1957, 4:30 p.m.[1]

SUBJECT

Military Aid and Force Levels

PARTICIPANTS

His Excellency Ngo Dinh Diem, President of the Republic of Viet-Nam
His Excellency Tran Van Chuong, Ambassador of Viet-Nam

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[1] Source: Department of State, Central Files, 751G.5-MSP/5-957. Confidential. Drafted by Corcoran. This memorandum and Documents 377 and 378 make up the record of an extended conversation which covered a number of topics.

His Excellency Nguyen Huu Chau, Secretary of State at the Presidency
The Secretary of State
The Honorable Elbridge Durbrow, American Ambassador
The Honorable Walter S. Robertson, Assistant Secretary of State for Far Eastern Affairs
Mr. Kenneth T. Young, Jr., Director, Office of Southeast Asian Affairs
Mr. Thomas J. Corcoran, Officer-in-Charge Viet-Nam Affairs
Mr. Charles Sedgwick, Interpreter

The Secretary remarked that detailed discussion of military questions could take place during President Ngo Dinh Diem's visit to the Pentagon on May 10.[2]

President Ngo Dinh Diem said that Viet-Nam had made much progress in military matters and it was now a question of holding what had been gained. In order effectively to train the army it was necessary to entrust to the Civil Guard and the Village Defense Forces the task of internal security which had heretofore been handled by the army. Thus far the Civil Guard had been an auxiliary to the army in matters of internal security. It was not like similar forces in other countries because the Viet Minh were organizing commandos equipped with automatic weapons and the Civil Guard had to deal with these. These groups were being organized near the frontier and, according to French reports, they were especially strong in the region of Stung Treng in the wartime maquis region near the triangle formed by the frontiers of Laos, Cambodia and Viet-Nam. It appeared that Prince Sihanouk of Cambodia was unable to put a stop to such activities on the Cambodian side of the frontier.

The Secretary asked if we had information of overt acts by such forces, Mr. Durbrow replied that there had been incursions across the frontier from Cambodia into Viet-Nam involving the capture of an airplane belonging to a rubber plantation and the robbery of plantation funds.

President Ngo said it was no longer merely a question of infiltration across the 17th parallel or from Cambodia. There was now an airline service from Hanoi to Vientiane to Phnom Penh. Also, although he did not know just why, the Vietnamese Communists had established air parcel post communications between Hanoi and Laos. Thus the ChiComs and the Vietnamese Communists could send personnel and materials to Cambodia by air and from Cambodia they could organize operations in Vietnamese territory. They were organizing commandos in the regions behind the French rubber plantations and they were in contact with remnants of the old dissident sect forces.

The Secretary asked what Mr. Ngo Dinh Diem's response to these maneuvers was. President Ngo replied that he was trying to handle this business with the Civil Guard while training the army in divisional operations. As he had told the Secretary's representative at Canberra he also wanted to construct a human wall in the depopulated area near the three frontiers. He was calling for people from Center Viet-Nam to fill the vacuum in the High Plateau region and in the Plaine des Joncs. This policy prompted a violent reaction from the Vietnamese Communist and ChiCom radios because it threatened their subversive plans. Two days before the attempt on the President's life (February 22) at Banmethuot (in the High Plateau region) Radio Hanoi violently attacked the resettlement plan on the grounds that it represented establishment of bases for "American Aggression." The Viet Minh saw the logical invasion route for attacking South Viet-Nam as following the Mekong and since Laos was defenseless and the Cambodian Army worth very little the danger to Viet-Nam was great. Ngo has discussed this strategic concept with General Williams who concurs.

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[2] See Document 379.

With conscription coming into effect (three months from May 2) Ngo saw the prospect of demobilizing 40,000 men a year who could be settled as farmers in the depopulated regions in order to be sure they did not hang on as unemployed in the cities. The Australians and the British were interested in this plan. If Cambodia and Thailand were to do the same thing there would be considerable lessening of tensions. Replacement of these people by lower paid conscripts would help the budgetary problem. The Secretary asked if these settlers would not have to be paid as members of the Civil Defense Forces. President Ngo said no. Mr. Durbrow explained the President envisaged that these people would be settled as farmers but that being loyal persons with military training they could constitute a reserve force or human wall and could by their presence deny the Communists use of the area.

President Ngo said that for the same reason he emphasized construction of highways along the High Plateau connecting with Laos.

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377. Memorandum of a Conversation, Blair House, Washington, May 9, 1957[1]

SUBJECT

The Situation in Laos

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[1] Source: Department of State, Central Files, 751J.00/5–957. Drafted by Corcoran on May 10. This discussion was part of the May 9 conversation.

PARTICIPANTS

His Excellency Ngo Dinh Diem, President of the Republic of Viet-Nam
His Excellency Tran Van Chuong, Ambassador of Viet-Nam
His Excellency Nguyen Huu Chau, Secretary of State at the Presidency
The Secretary of State
The Honorable Elbridge Durbrow, American Ambassador
The Honorable Walter S. Robertson, Assistant Secretary of State for Far Eastern Affairs
Mr. Kenneth T. Young, Jr., Director, Office of Southeast Asian Affairs
Mr. Thomas J. Corcoran, Officer in Charge Viet-Nam Affairs
Mr. Charles Sedgwick, Interpreter

The Secretary asked President Ngo what he thought would happen in Laos. The President replied that the Lao were frightened and that the Prime Minister had admitted as much to him six months ago during a visit to Saigon.[2] Unfortunately the Lao did not have many political leaders and competition was keen among the few they did have. The only strong man was Katay the Vice Prime Minister. Phetsarath, now that he had returned,[3] wanted to assume power and he had recently made some very neutralist statements. Furthermore Phetsarath had been soured by many years of exile. Should Phetsarath assume power Katay would feel threatened and that would be serious because Katay has much army opinion and many civil servants on his side. Katay had frankly informed the Vietnamese representative that should the people deliver themselves into the hands of the Pathet Lao, he, Katay, would have to resort to a coup d'état and that he, Katay, feared Communist Vietnamese intervention in such an eventuality. However Ngo did not believe either the Vietnamese or the Chinese Communists would do anything because that would be an open act of aggression.

The Secretary said he believed that if there were such an open act of aggression we would not hesitate to intervene under the provisions of the SEATO Treaty.

Ngo said that Katay was a proud man but had admitted nevertheless that the Lao had an inferiority complex vis-à-vis both the Vietnamese Communist and the Republic of Viet-Nam forces.

Mr. Robertson asked how much influence Crown Prince Savang had. President Ngo replied that the Prince had practically no influence, that he was honest but slow. Mr. Robertson said that Savang was anti-communist. President Ngo agreed but said the Prince did not have much drive.

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[2] Apparent reference to Souvanna Phouma's September 8–9, 1956, official visit to Vietnam.

[3] After a long exile, Prince Petsarath had returned to Laos in 1957 with the title of Viceroy.

378. Memorandum of a Conversation, Blair House, Washington, May 9, 1957[1]

SUBJECT

Chinese Minority Problem[2]

PARTICIPANTS

His Excellency Ngo Dinh Diem, President of the Republic of Viet-Nam
His Excellency Tran Van Chuong, Ambassador of Viet-Nam
His Excellency Nguyen Huu Chau, Secretary of State at the Presidency
The Secretary of State
The Honorable Elbridge Durbrow, American Ambassador to Viet-Nam
The Honorable Walter S. Robertson, Assistant Secretary of State for Far Eastern Affairs
Mr. Kenneth T. Young, Jr., Director, Office of Southeast Asian Affairs
Mr. Thomas J. Corcoran, Officer in Charge, Viet-Nam Affairs
Mr. Charles Sedgwick, Interpreter

Summary

The Secretary said he would like to discuss the Vietnamese Government's Chinese policy which we thought rather hard. Mr. Robertson said we were raising this question at the request of our Embassy in Taipei, that we were friends of both Viet-Nam and the Republic of China and that we were anxious that nothing be done to harm relations among nations of the Free World.

President Ngo Dinh Diem insisted that his Chinese policy was no cause for concern and that recent reports of disturbances in Saigon had been greatly exaggerated. In any event the prestige of Taipei was low among overseas Chinese and if the Chinese in Viet-Nam were non-Communist it was in response to the policy of the Government of Viet-Nam and not due to anything Taipei had done.

The Secretary said he would like to discuss the Vietnamese Government's Chinese policy which we thought rather hard. President Ngo replied that he thought his Chinese policy should not cause anxiety. Most of the Chinese in Viet-Nam wanted to comply with the legislation. However, there were certain elements in the Chinese Legation in Saigon and in Formosa who were arousing the Chinese population. They called Chinese who wished to comply with Vietnamese regulations traitors and put them in a difficult position.

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[1] Source: Department of State, Central Files, 651G.93/5–957. Drafted by Corcoran.

[2] The Chinese minority problem stemmed from the Diem government's desire to reduce the control of the Chinese minority in Vietnam over the national economy and to force assimilation of overseas Chinese into the Vietnamese national culture. The Vietnamese Government promulgated decrees in August 1956 stating that henceforth and retroactively any child born in Vietnam of Chinese parents was Vietnamese and ordering all such Vietnamese citizens to take Vietnamese names and get Vietnamese identification cards. In September 1956, the Vietnamese Government outlawed participation by non-Vietnamese citizens in those middlemen trades in which the Chinese community predominated. Among the Chinese minority in South Vietnam there was little accommodation with Diem's policies and even some civil disturbances. The Republic of China repeatedly called upon the United States to use its good offices to prevail upon the Vietnamese Government to allow the overseas Chinese to retain their national character and pursue their livelihoods. (Position Paper, NDD D–1/1a, May 7, "Chinese Minority Problem"; *ibid.*, FE Files: Lot 60 D 514, Ngo Dinh Diem) The most concentrated body of documentation on this question is *ibid.*, Central Files, 751G.08.

President Ngo said he had just received a despatch from his government in Saigon explaining that the recent incidents were not as described in the Chinese press. The Chinese papers had confused the nationality question and the census question. First he would discuss the census question. He had started a census of foreigners because he had not known who among the population was French and who was not. That census ended two months ago. Then he started on the Chinese to find out how many of them there were. The Chinese population found this census normal and raised no objection. They went to their Legation to ask for certain certificates concerning their status. Certain ill-willed officials of the Chinese Legation delayed issuance of these certificates. The Chinese protested their loss of time. They were protesting against their own Legation. One stone was thrown breaking one window. That was all.

President Ngo said that before the French had occupied Viet-Nam all Chinese there became Vietnamese citizens as a matter of course. There was no Chinese community. However, the French levied special head taxes on the Chinese and preferred to keep them separate for this purpose. The result was the creation of a state within a state in the Vietnamese capital with the Chinese enjoying a sort of economic dominance. The Bank of Indochina, for example, had dealt largely with Chinese middlemen who practiced usury in distributing credits. A good portion of the population of Viet-Nam is of Chinese origin, including two Cabinet members. The great great grandfather of Ambassador Tran Van Chuong was Chinese, for example. This case could be multiplied by millions.

The question of assimilation is not a difficult one, since the Chinese and the Vietnamese have a common culture as well as a racial affinity. Assimilation is the basis of the Vietnamese nationality law. Vietnamese literature is Chinese with a different pronunciation.

The Secretary asked if the Chinese were required to change their names. President Ngo said no, they kept the same name with a different pronunciation. Mr. Robertson said he understood the Chinese had to take Vietnamese names. President Ngo said they kept their own names but pronounced them in Vietnamese. The name Li, for example, became Le, pronounced Lay. Nationalizing the Chinese merely followed the old rule of assimilation. Chinese born in Viet-Nam became Vietnamese citizens. The nationality decree affected only 1/6 or 1/7 of the total Chinese population since probably less than 100,000 of the approximately 600,000 Chinese in the country could be proved to have been born there. So, they will have 500,000 Chinese left.

Mr. Robertson asked how the bulk of the Chinese, the 500,000 not born in the country, would be able to make a living if they were banned from the 11 key occupations by the decree of that subject. President Ngo replied that among these Chinese there were some very rich men, millionaires, who had profited from the war and from the post-war period by accumulating French surplus goods. He was asking these rich Chinese to invest their profits in new industries. He felt that those Chinese who had no money could find employment in these new industries. As far as the eleven restricted occupations were concerned, the Vietnamese were only doing what the Filipinos and Cambodians had already done and were in fact less strict about this matter than other countries. Furthermore, this restriction applied to all foreigners and not just to Chinese. It pertained to occupations which would permit usury and speculation and to small business in the interior. But the Chinese were concentrated chiefly in Saigon and they were the principal importers who profited by U.S. aid.

Mr. Robertson asked if most of the Chinese in Viet-Nam sympathized with the Republic of China or with the Communists. President Ngo replied that they were opportunists who would follow which ever side was stronger. The Chinese in Viet-Nam were anti-Communist or non-Communist only because the GVN was anti-Communist. Viet-Nam was the only place in Southeast Asia where the Chinese population was not pro-Communist. This was not the case in Cambodia, Thailand, or Malaya. Chinese friends like Bishop Yu Pin who wanted to carry on anti-Communist movements found in Saigon the only favorable political climate for such operations. "Free Pacific", the principal anti-Communist magazine now being distributed in other countries, was published in Saigon. President Diem suggested that Bangkok being at the "hinge" between the countries under Indian influence and the countries under Chinese influence might be a more appropriate site but its sponsors felt Bangkok was not suitable.

Mr. Robertson said we had raised the question at the request of our Embassy in Taipei, that we were friends of both Viet-Nam and the Republic of China and that we were anxious that nothing be done to harm relations among nations of the free world. We knew that the Chinese minority was a problem in every Southeast Asian country and we hoped nothing would be done to cause them to jump over on to the Communist side.

President Diem said that Taipei's view was not very realistic and that the GRC had in fact very little influence on overseas Chinese. If the Chinese in Saigon were anti-Communist or non-Communist it was because of the policy of the GVN to which the Chinese sub-scribed and not to anything Taipei had done. He felt that the Foreign Minister in Taipei understood the situation better than did his Legation in Saigon. However, there was an Overseas Chinese Office in Taipei which wanted to keep these wealthy Chinese as "gravy". Before the arrival of the present Chinese Minister in Saigon there was a Chargé d'Affaires who was motivated by ill-will. This fellow was now in Formosa and still stirring up trouble. If Viet-Nam were to go neutralist the Chinese there as in Cambodia would hang out flags for Mao Tse Tung. The GVN had learned in confidence from certain wealthy Chinese that they would like to become Vietnamese citizens but they feared the propaganda of the Chinese Legation which called them traitors. In order to comply with the regulations many of them told their wives to register as Vietnamese citizens. President Ngo had signed a great many naturalization decrees for Chinese not affected by the nationality decree. A few weeks ago 2,000 Chinese born outside Viet-Nam and not affected by the nationality decree requested naturalization. Little by little this matter will work itself out. Refugees from the north who are very resourceful will replace the Chinese in the eleven occupations gradually.

Mr. Robertson said we would advise Minister Yeh who was very uneasy about the Chinese minority problem to consult President Ngo. President Ngo said that more than 2,000 Chinese refugees had fled from the north to Free Viet-Nam after the Geneva armistice because they could not do business in the Communist Zone. He had welcomed them for humanitarian reasons although he might well have told them to go to Taipei. Indian and French businessmen had also fled south for the same reason.

The Secretary left the meeting after arranging to meet President Ngo the next day at 3:30 p.m. to continue the conversation.[3]

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[3] See Document 381.

There was a second memorandum of conversation, also by Corcoran, May 9, on the Chinese minority question which covered similar although not identical ground. Other than Dulles, who did not participate in this second conversation, the list of participants is identical to that above. (Department of State, Central Files, 751G.08/5–957)

379. Memorandum of a Conversation, The Pentagon, Washington, May 10, 1957, 10:40 a.m.–12:40 p.m.[1]

PRESENT WERE

President Ngo Dinh Diem
General Tran Van Don, Staff Chief of the General Staff
Vietnamese Ambassador Tran Van Chuong
Nguyen Huu Chau, Secretary of State for the Interior and to the Presidency
Rear Admiral D.L. McDonald, Aide to President Ngo Dinh Diem
Deputy Secretary Donald A. Quarles
General Nathan F. Twining
Mr. Mansfield D. Sprague, Assistant Secretary of Defense (ISA)
Lt. General Alonzo P. Fox, USA
US Ambassador to Viet-Nam Elbridge Durbrow
Assistant Secretary of State Robertson
Mr. Kenneth Young, Dept. of State
Mr. Sedgwick (Interpreter)
Captain B.A. Robbins, Jr., USN

Secretary Quarles opened the meeting by explaining that instead of a briefing for President Ngo as had originally been scheduled, it was felt that this might be considered presumptuous in view of the President's knowledge of Southeast Asia, and therefore the President was invited to express his views on the situation.

President Ngo proceeded to sketch out his thoughts on the strategic problem of Viet-Nam, the military situation and its requirements. He views Viet-Nam as a bridgehead, which in case of conflict would receive support and assistance from SEATO. Viet-Nam is endangered by two things: subversive elements under Communist direction and aggression by invasion. This latter may take the form of invasion at the 17th parallel, or over the high plateau and then down through Laos to cut off the capital from the west, or a combination of both. The invasion route across the 17th parallel would cut off a large percentage of the population and not enough would be left to raise additional forces for resistance. The interior line of invasion along the border area has no natural defenses after the enemy passes through the Annam Chain. This is a soft area for defensive purposes. Either one, or a combination of both, of the above routes is possible and feasible. Above the 17th parallel the Viet Minh have 200,000 regular troops and 250,000 regional troops. Secretary Quarles raised the question as to restriction on those forces by the Geneva Accords. It was stated that there is no restriction on the numbers. The troops, however, have been given modernized equipment and training by the Chinese Communists and their re-equipment is a violation of the

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[1] Source: Department of State, Conference Files: Lot 62 D 181, CF 887, Diem Visit. Printed also in *United States–Vietnam Relations, 1945–1967*, Book 10, pp. 1103–1107. Drafted by Captain B.A. Robbins, USN, Regional Director, Far East, ISA, on May 15.

Geneva Accords. President Ngo also stated the Russians are particularly concerned with the training of these forces and in accordance with Russian practice have emphasized artillery to the point that they have three times as much as Viet-Nam. He stated that the Viet-Minh air force has been training in Communist China since 1951.

The Vietnamese do not have sufficient forces to guard the entire border. Laos has a weak army, very poor roads and is lightly populated. Infiltration through Laos is both easy and dangerous to Viet-Nam. It is believed possible that the Viet Minh could infiltrate this interior route with as many as 100,000 troops disguised as coolies which could be very dangerous. President Ngo views a strictly defensive plan as unsatisfactory if only because of the demoralizing factor. He feels the plan must be both offensive and defensive. He covered this concept as follows: (1) Vietnamese do not know the SEATO Plan. (2) The General Staff first conceived a defensive plan which was considered demoralizing. (3) They have now conceived an offensive-defensive plan which has been referred to General Williams. (4) Population of the North is against Communism. If free to move it would move out to the South. In the North soldiers are the principals in the privileged class. (5) It is believed necessary in the event of aggression to bring airborne troops into the high plateau area of Laos–Viet-Nam, and also conduct airborne operations to pin down the Viet Minh and make possible an offensive to the North. In addition the line of the 17th parallel must be held as this is the route of refugees. Any airborne landings must be Vietnamese troops not foreign troops. Foreign troops should be limited to use below the 17th parallel as support forces.

Big question for Vietnamese is when do they get the foreign troops. Thai forces will be otherwise occupied. The civil guard is poorly equipped and would not be effective. There are no other ground forces available in the Southeast Asia area. In answer to a question as to whether the troops to be used in the plateau could be Thai, the President answered no. Laos is afraid of the Thais; they are afraid of a Pan-Thai movement to swallow Laos. Laos hates Cambodia, distrusts the Thais but likes the Vietnamese. They would like an outlet to the sea at Tourane. They have promised to send officers to be trained by the Vietnamese. President Ngo then commented on his planned second counter move which is to fill up the vacuum of the high plateau area, the forest border area and the Plaine des Joncs. This plan will be begun by placing trained demobilized men from the Civil Guard in these areas with their families, 3,000 so far. He is now appealing to the people of the central Viet-Nam area to settle on the high plateau and is asking people of South Viet-Nam, the southern areas, to move into the Plaine des Joncs.

SEATO has always recognized the need of the fight against subversion. Planting men in these areas will construct a human wall effective against Communist infiltration and subversion. The above goes hand in hand with construction of roads in the above areas. Stationing men and building roads serve both a strategic and economic purpose. The road building projects is [*are*] really a stage of the French plan that goes back to 1919 and continues to 1942.

Secretary Quarles asked the status of the road construction now. The President answered it had not yet begun but Capital Engineering Firm was starting construction studies and he thought construction could begin next year. These roads in the interior are important because the road along the coast is easily disrupted. It has many bridges and that is why French, thinking of the possibility of Japanese aggression along the coast, thought roads in this area desirable. This was part of the French Empire Plan to tie together Viet-Nam, Cambodia and Laos. It is still a good plan for the defense of Southeast Asia. It includes a road across the interior to Pakse on the Mekong which is near the Thai Railroad terminus at Ubon. Route 9 from Tourane to Savannakhet is too close to the 17th parallel, but Laos is interested in an outlet to the sea for economic reasons. SEATO principles are (1) to parry aggression (2) struggle against subversion and (3) economic and social aspects required to support the above. The French and British are interested mostly in number 3. The military strategic aspects of offensive-defensive plan are favored by the air force and navy. In case of aggression tactical atomic weapons could be used. Vietnamese feel they must emphasize ground weapons because the Viet-Nam war showed that it was difficult to use air effectively in this country. Communist troops are very mobile. The irregular forces advance ahead of regular troops to sabotage and cut communications. They also follow the regular troops to subdue the population. Use of atomic weapons against the aggression through the sparsely settled territory of Laos would not be effective. Therefore, the President believes that the Vietnamese must reorganize their Army to be prepared for such a struggle.

Despite the efforts of General O'Daniel the present Army structure is now not satisfactory. This is due to the French policy which insisted on keeping Vietnamese forces in small units no larger than a battalion, preventing the development of a proper Viet-Nam Army. This is why Diem could not come to power sooner. French said Vietnamese couldn't be trained and were too weak physically. They limited them to light forces. After the Armistice the French continued to control the forces. Following the French phase out, and the elimination of French forces, training was conducted under a mixed French-US training group. The French concept of light battalion, light division, heavy division, made no sense at all not even for use against the sects. I [i.e., President Diem] therefore felt the Army should be completely reorganized, and consolidation of training into a strictly US mission made this possible. The US military know that the Vietnamese make good soldiers. I have talked over my idea with General Williams, and it is to reorganize my 6 light and 4 heavy divisions of 5,600 and 8,300 men respectively, into the same number of field divisions with 10,000 each, with 3 regiments per division. To achieve this the Army must increase to 170,000. This would avoid a complete shift of the present division. If we stay at the present 150,000 men it would be necessary to shift or change the basic structure. If our total forces are raised to 170 thousand we could increase each division to 10,000. To reduce the impact on the budget I have decreed a draft as a stop gap plan. Draftees will be inducted for 1 year terms in the age group 20 to 21. Beginning 1 August 150 per day will be inducted. This will amount to 48,000 per year. In 3 years this will make it possible to replace 2/3 of the Army at the end of 3 years. The budget will be stabilized. At the present time Viet-Nam Army is organized along French colonial lines with the families traveling with the troops. The average pay is a thousand piasters a month. The military budget is 170 million dollars a year. The use of draftees would reduce the cost by half. Draftees would be young people with no families. The U.S. military recommend that I not replace all my troops with draftees but retain 30,000 minimum as a hard core. I believe the above is necessary because in my view to meet aggression in my country requires emphasis on the ground forces. As the present troops with their families are demobilized they would be settled in the high plateau and the Plaine des Joncs area. This would be beneficial both from [*for*?] economic and strategic reasons.

At this point Secretary Quarles noted that the President was due at the Press Club shortly and requested time for a few U.S. questions. His first was whether the Geneva Accords inhibited [*prohibited*?] (US) training personnel. President Diem replied that there had been no protests—there had been embarrassing questions, but the Geneva Accords only prohibited troop reinforcements.

Mr. Quarles asked a general question on the status of training and equipment of the Viet-Nam air force. General Don replied that the planes turned over by the French had been retained for training until no longer usable and then returned. President Ngo said that in general vehicles and communications equipment were in bad shape. These can be replaced with the same type used by the French without violating the Geneva Accords. He continued to say that the French training of the air force and navy in his opinion was very poor because the French were dragging their feet. For the Viet-Nam Air Force actually they were providing only 6 months training for mechanics which U.S. military personnel considered inadequate.

When the French questioned him about the renewal of their training contract the conversation resulted in an agreement to withdraw the French Air Force training mission with the exception of special French personnel who would remain until the end of the year for technical training. All other requirements would be met by the U.S. He had therefore requested the [*that*] MAAG provide these training personnel and several instructors for the military academy (Armed Forces Academy).

After brief closing remark by Secretary Quarles the session ended.

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380. Memorandum of a Conversation, Department of State, Washington, May 10, 1957[1]

SUBJECT

Situation in Cambodia

PARTICIPANTS

His Excellency Ngo Dinh Diem, President of the Republic of Viet-Nam
His Excellency Nguyen Huu Chau, Secretary of State at the Presidency and Secretary of State for the Interior
His Excellency Tran Van Chuong, Ambassador of Viet-Nam
The Honorable Walter S. Robertson, Assistant Secretary of State for Far Eastern Affairs
The Honorable Elbridge Durbrow, American Ambassador to Viet-Nam
Mr. Kenneth T. Young, Jr., Director, Office of Southeast Asian Affairs
Mr. Thomas J. Corcoran, Officer in Charge, Viet-Nam Affairs
Mr. Charles Sedgwick, Interpreter

President Ngo Dinh Diem said that the Cambodians had seen that things were going well in Viet-Nam so that they were now beginning to imitate the Vietnamese in many ways. However, they were still very much under French influence because they did not have people capable of doing government administrative work such as the drafting of documents, etc., and had to depend on French counsel. These French counselors usually steered clear of economic questions and in these matters the Cambodians were trying to follow the Vietnamese example.

The Cambodians have been started toward neutralism by the Indian representative there. It was fashionable to be neutralist and Sihanouk thought that by following such a policy he could become a

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[1] Source: Department of State, Central Files, 751H.00/5–1057. Confidential. Drafted by Corcoran.

'big shot' and the Indians encouraged him. The French in Cambodia also encouraged him shortsightedly in their desire to prevent the spread of American influence from Viet-Nam to Cambodia.

Mr. Robertson said we had recent indications that Sihanouk was somewhat disturbed at communist activities. President Ngo agreed and said Sihanouk did not have control of his frontiers. The headquarters of communist subversive activities had moved from Hanoi to Phnom Penh and the Soviet Embassy and the Chinese communist economic mission were counting on making use of the 300,000 Chinese in Cambodia for subversive activities, particularly across the frontier into Viet-Nam. Mr. Robertson remarked that one of the leading papers in Phnom Penh had four out of six pages denouncing communist aid as "paper" and calling American aid real aid. President Ngo said that the establishment of postal communications between Hanoi and Cambodia meant that communist infiltration of that country had been stepped up from a trickle to an avalanche.

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381. Memorandum of a Conversation, Blair House, Washington, May 10, 1957, 3:30 p.m.[1]

SUBJECT

Economic Aid Problems in Viet-Nam

PARTICIPANTS

His Excellency Ngo Dinh Diem, President of the Republic of Viet-Nam
His Excellency Nguyen Huu Chau, Secretary of State at the Presidency and Secretary of State for the Interior
His Excellency Tran Van Chuong, Ambassador of Viet-Nam
The Secretary of State
The Honorable Walter S. Robertson, Assistant Secretary of State for Far Eastern Affairs
The Honorable Elbridge Durbrow, American Ambassador to Viet-Nam
Mr. Kenneth T. Young, Jr., Director, Office of Southeast Asian Affairs
Mr. Thomas J. Corcoran, Officer in Charge, Viet-Nam Affairs
Mr. Charles Sedgwick, Interpreter

The Secretary asked if there were any questions apart from the joint communiqué[2] which the President would care to discuss. Mr.

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[1] Source: Department of State, Central Files, 751G.5-MSP/5-1057. Confidential. Drafted by Corcoran and initialed by Corcoran, Robertson, and Young.

[2] For the text of the joint communiqué, see the Department of State *Bulletin*, May 27, 1957, pp. 851–852. The address Diem made before the Joint Session of Congress, May 9, is also printed *ibid.*, pp. 852–854.

Chau said that earlier in the day he had reviewed with Mr. Young all of the points which President Ngo Dinh Diem had covered in his previous talk with the Secretary.[3] Mr. Chau then recapitulated these various points, placing great stress on the need for tractors in connection with the resettlement projects in the high plateau. President Ngo Dinh Diem discussed at length the superiority of tractors over water buffalos in this area.

The Secretary asked how many rice crops per year were harvested in South Viet-Nam. President Ngo Dinh Diem replied that in the south there was only one crop a year and that this meant that families were fully and profitably occupied for only one and a half to two months per year. Furthermore, dependence on a one crop economy, which meant that rice had to be exported at a low price in international competition, made the country very vulnerable to economic depression. Therefore, it was necessary to work as quickly and cheaply as possible, not only to produce sufficient rice for export, but also to supply the needs of the people in the high plateau. As a means of profitably using the people's time during the large part of the year when they were not engaged in rice production there were many resources, particularly in the high plateau, such as rubber, tea, coffee, vegetables, fruits, cane, bamboo, and wood for handicraft purposes which could be exploited. It was necessary that Viet-Nam develop handicraft production in both the plains and the high plateau, since cultivation of the rice crop did not suffice to maintain full employment. President Ngo Dinh Diem further discussed both the scarcity of water buffalo and their unsuitability for employment in the high plateau in comparison with bulldozers and tractors. He stressed that in view of the approach of the rainy season he was very anxious to begin work on the resettlement projects and that this work depended largely on provision of tractors and bulldozers.

Mr. Robertson said that on May 6 after the President's departure from Saigon on his visit the Government of Viet-Nam had been informed of ICA/Washington's approval of the resettlement project and that he understood that orders were now being placed for equipment. President Ngo reiterated the importance he attached to the provision of mechanical equipment for this project, stressing that it was tractors which had made possible "miracle Cai San", where 40,000 refugees and 10,000 local inhabitants had been resettled. This project had become a pilgrimage for newspapermen and statesmen of other countries. President Ngo felt that tractors and bulldozers were as important to Viet-Nam now as tanks were during an offensive in time of war. People had already started moving to the high plateau. Half the total number involved were already there and half were on the way. Without tractors and bulldozers they had to depend on hand choppers to clear the land. Mr. Robertson said that we understood that the President wished us to expedite the shipment of mechanical equipment for the resettlement project, that Mr. Chau had already explained this matter to Mr. Young in the morning and that we would work on it. Mr. Chau said that apart from the general agricultural problems already discussed Viet-Nam had aid problems of an industrial nature. The Government of Viet-Nam on the one hand, and the USOM and ICA/Washington on the other, were not in full agreement on the manner in which to use American aid. The Vietnamese idea was to use United States equipment for industries that would be mixed enterprises, with both private and state participation and there was some reluctance on the part of American experts to approve enterprises involving state participation in industry.

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[3] See Documents 376, 377, and 378.

President Ngo said the Vietnamese had thought this over very carefully and they hoped that an exception could be made permitting some government participation in a few enterprises as a catalyst to stimulate private participation. He said that French capital was still important in Viet-Nam and that the French capitalists would like to see state participation in enterprises in which they were to invest. Vietnamese investors also favored state participation. Also there was the fact that private investment was not attracted to such essential industries as sugar production. The government's aim was not to promote state ownership but merely to encourage private investment. Once private industries had gotten under way the government's shares would be sold to private owners.

President Ngo next discussed the question of direct aid at great length indicating that the Vietnamese would prefer less commercial aid and more direct aid which they could use for acquiring capital goods. Mr. Durbrow pointed out the need for commercial imports in order to generate counterpart local currencies for military expenses. The Secretary suggested that these matters could be discussed in detail with representatives of ICA. Mr. Robertson said that the Director of Planning, Mr. Huynh Van Diem, and the American Aid Administrator, Mr. Vu Van Thai, had already discussed these matters with officers of the Department and with ICA[4] and that they would

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[4] These discussions took place at a series of meetings on May 6 and 7 prior to Diem's arrival in Washington. Those participating in the meetings were Vu Van Thai and Huynh Van Diem for South Vietnam and a U.S. interagency group made up of Young, Price, and Corcoran for the Department of State and Paul Summers, Deputy Regional Director for Far East, and Frederick Bunting, Chief, Cambodia, Laos, and Vietnam Division, for ICA. The Department of State record of these meetings is in memoranda of conversations by Corcoran, May 6, and by Price, May 7. (Department of State, Central Files, 851G.00–Five Year/5–657 and 751G.5-MSP/5–757, respectively) The ICA versions, memoranda by Bunting, May 6 and 7, are attached to a covering

Continued

return to Washington next week for further discussions.[5] Ambassador Chuong then remarked it was impossible to strengthen an underdeveloped country from the outside by supplying it with arms and consumer goods. It was necessary to strengthen the country from the inside by giving it means of production. As long as the Vietnamese could not produce goods from raw materials they would be dependent on American aid and this they did not want. President Diem said that the Vietnamese lived at a faster rate than the Thai or the Cambodians, for example, and that their consumption needs were more similar to the Japanese. Therefore they had to produce enough to meet these needs.

Mr. Durbrow said that an industrial development center was included in next year's proposed aid budget. The Secretary asked what sort of industry was envisaged. Mr. Durbrow replied that sugar, glass, cement, and textile production were being considered. The Secretary asked if Viet-Nam had to import cotton for its textile industry. President Ngo replied that this raised the question of triangular currencies and said that the Vietnamese did not want soft French money; they wanted dollars. If they got aid in francs they lost about one-third of its value. The Suez crisis had raised insurance and other costs by 22% and the francs had depreciated in value by 6 to 8%, while the cost of material products in francs had gone up by 6%. The French, instead of paying the United States in dollars for agricultural surpluses, were paying in francs and thus dumping their soft currency into the Vietnamese aid program.

President Ngo next referred to a note[6] he had received from the American Embassy in Saigon concerning possible devaluation of the piaster and said that the very possibility of devaluation would create a panic in Viet-Nam. Devaluation was possible only for a country with a very high level of production. Devaluation would have an effect, not only on the price of goods, but on the Vietnamese standard of living, since salaries and the prices of locally-produced articles would both be affected and that the prices of imported products, on which the Vietnamese standard of living depended, would be increased considerably.

Mr. Robertson said that the question of devaluation was not a device to reduce aid and that we merely wished to get the best out of the aid program. No one in Washington at the policy level recommended the type of cut in aid envisaged in the Clement Johnson

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memorandum from Summers to FitzGerald, May 8. (Washington National Records Center, FOA-ICA Files: FRC 61 A 32, W-3057, Box 317, Vietnam)

[5] Memoranda of some of these discussions, May 16 and 17, are *ibid.*

[6] Not found in Department of State files.

report.[7] Since the whole question of devaluation was so complicated the Vietnamese and American economists should sit down and talk it over. It was important that this matter be looked into soon. We understood President Ngo Dinh Diem's concern but an examination of the question of devaluation could not be avoided. If American aid was going into the Vietnamese economy at the rate of 35 piasters to one dollar and the real rate of exchange was perhaps twice that there had to be some determination of what was happening to the difference. Mr. Chau said that this difference was responsible for the improved Vietnamese standard of living. Mr. Chau asked whether the problem should be studied in Washington or Saigon. Mr. Durbrow suggested that it be studied in Saigon. President Ngo suggested that it be studied in Washington. Mr. Robertson suggested that talks could commence while the President's party was still in the United States and it was agreed that Mr. Chau and Messrs. Huynh Van Diem and Vu Van Thai would return to Washington next week for talks with officers of the Department and ICA.

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[7] Apparent reference to a study prepared under the auspices of the National Advisory Council on International Monetary and Financial Problems on the problem of overvalued currencies in the Indochinese states, Korea, and Turkey. More information is in Department of State, *Current Economic Developments*, No. 522, June 25, 1957, pp. 1–4.

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382. Memorandum of a Conversation, Department of State, Washington, May 10, 1957[1]

SUBJECT

Vietnamese Assistance in Stabilizing Laos

PARTICIPANTS

His Excellency Ngo Dinh Diem, President of the Republic of Viet-Nam
His Excellency Nguyen Huu Chau, Secretary of State at the Presidency and Secretary of State for the Interior
His Excellency Tran Van Chuong, Ambassador of Viet-Nam
The Honorable Walter S. Robertson, Assistant Secretary of State for Far Eastern Affairs
The Honorable Elbridge Durbrow, American Ambassador to Viet-Nam
Mr. Kenneth T. Young, Jr., Director, Office of Southeast Asian Affairs
Mr. Thomas J. Corcoran, Officer in Charge, Viet-Nam Affairs
Mr. Charles Sedgwick, Interpreter

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[1] Source: Department of State, Conference Files: Lot 62 D 181, CF 887, Diem Visit. Confidential. Drafted by Corcoran.

Mr. Robertson said that we were interested in Laos, as were the Vietnamese, and wondered how President Ngo thought Viet-Nam could aid in stabilizing Laos. President Ngo replied that if things went well in Viet-Nam and if the high plateau resettlement project was carried out things would go well in Laos. Mr. Robertson suggested that Viet-Nam–Laos coordination of frontier control, opening the road from Tourane to the Lao frontier and increased training of Lao personnel for expediting the transshipment of goods through Viet-Nam to Laos would all be useful. President Ngo said that Souvanna Phouma had brought these questions up last year and that the Government of Viet-Nam was ready to do anything it could to help Laos. The Vietnamese had taken a number of young Lao visitors through their ministries to show them how they operated. These visits had been arranged at the suggestion of an American officer, Captain Rufus Philipps.[2] Viet-Nam's relations with Laos were cordial and there was mutual sympathy between the two governments.

Mr. Robertson asked if the Vietnamese were in a position to give the Lao advice in handling Viet Minh infiltration. President Ngo said they would have to go slow in this matter which would depend on the Lao Government. The Lao army and civil servants would ask nothing better. However, the Lao heads of government had a strange complex due to French influence. This influence was not good. Whereas the staff of the French Embassy in Saigon was composed of career Foreign Office personnel the French representation in Laos and Cambodia was made up of old colonial service officers, the same ones who had lost the war in Indochina. Ambassador Payart in Saigon was annoyed at this state of affairs, since the old colonialists in Laos and Cambodia were not coordinating their policy with him. In trying to find jobs for old colonial administrators who could not be absorbed in what was left of the French Empire they had dumped a particularly poor one into Vientiane as Counselor of the Lao Government. This man also happened to be the son-in-law of Prince Phetsarath. It must be remembered that the French are extremely chauvinistic and that they detested American influence. In order to prevent the spread of American influence into Laos and Cambodia they had shortsightedly encouraged neutralism. The country most annoyed by this state of affairs was Australia. The Australians were very sensitive about anything which threatened the security of Southeast Asia.

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[2] A former member of Lansdale's staff in Vietnam.

383. National Intelligence Estimate[1]

NIE 63.2–57

Washington, 14 May 1957.

THE PROSPECTS FOR NORTH VIETNAM[2]

The Problem

To analyze the current political, economic, and military situations and to estimate the prospects for North Vietnam over the next year or so.

Conclusions

1. Although the Communist regime in North Vietnam (DRV) has probably lost a considerable measure of its original popular support and has been faced with sporadic outbursts of violence, it remains in firm control largely because of the loyalty and effectiveness of the army. Moreover, with substantial help from the Bloc, it has apparently made significant progress toward economic restoration, particularly in agriculture. (Paras. 13–16, 20–21)

2. The DRV has undertaken to "correct its mistakes" which it admits caused popular resentment, and it will probably be able to regain some of the popular support which it lost. If the party organization is sufficiently strengthened and if crop prospects are good, steps toward further socialization of agriculture may come as soon as the fall or winter of 1957. Local disturbances may recur but for the foreseeable future the DRV will be capable of maintaining effective control. (Paras. 17, 23–26)

3. The DRV is generally isolated from the outside world except for close ties with the Bloc, on which it depends for aid and support. However, the DRV has probably been disappointed by the lack of effective Bloc support for its objective of unifying all Vietnam under DRV rule. The DRV, with Bloc logistical support, could easily overrun South Vietnam, Cambodia, and Laos if opposed only by indigenous forces. However, the Bloc would support such an attack only if Moscow and Peiping were to estimate that such action carried little risk of US military intervention. (Paras. 29–34)

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[1] Source: Department of State, INR-NIE Files. Secret. Printed also in *United States–Vietnam Relations, 1945–1967,* Book 10, pp. 1101–1102.

[2] According to a note on the cover sheet, the CIA, the intelligence organizations of the Department of State, the Army, Navy, Air Force, and the Joint Staff participated in the preparation of this estimate. All members of the IAC concurred in this estimate on May 14, with the exception of the representatives of the AEC and FBI who abstained, the subject being outside their jurisdiction.

4. The DRV will probably continue its tactics of "peaceful competition" with South Vietnam for the support of the Vietnamese, although it will continue its efforts to infiltrate and to subvert official and nonofficial organizations and to exploit dissident and dissatisfied groups in South Vietnam. In Laos, we believe that the DRV will continue to support Pathet Lao efforts to negotiate a political agreement with the Royal Lao Government, with the ultimate objective of Communist control, and may encourage local Pathet Lao military action in order to bring pressure to this end. The DRV will probably not, in the immediate future, play a primary role in Cambodia. (Paras. 34–36)

[Here follow six pages of discussion, a two-page Appendix A on the DRV military, a three-page Appendix B on the DRV economy, and a map of North Vietnam.]

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384. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, May 16, 1957—6:35 p.m.

2943. Re Piaster rate. Department held two satisfactory sessions with Chau, Diem[2] and Thai[3] Wednesday and Thursday.[4] ICA Treasury representatives present. After exposition of Vietnamese and U.S. viewpoints Chau proposed, subject to President Ngo Dinh Diem's approval, and we concurred the following steps:

1. Vietnamese and American officials will study in Saigon technical details and concrete problems regarding devaluation. These talks will begin as soon as possible under general leadership Durbrow and Chau.
2. Vietnamese and American officials in Saigon will study report of International Monetary Fund when available which is now anticipated within month or so.
3. Following these two steps Vietnamese Government will send team to Washington. (In addition it might be advisable induce Vietnamese send qualified expert attend IMF discussion Viet-Nam report which will probably take place in June.)
4. Apart from possible Vietnamese expert at IMF discussions above team will examine economic, financial, political and social as-

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[1] Source: Department of State, Central Files, 751G.11/5–1657. Secret. Drafted and approved for transmission by Young.

[2] Huynh Van Diem, Director General of Planning.

[3] Vu Van Thai, Administrator General of Foreign Aid.

[4] The combined memorandum of conversation covering these two meetings, May 15–16, is in Department of State, FE Files: Lot 49 D 19, M–C Vietnamese 1957.

pects of devaluation problem together with U.S. officials. Team will also discuss overall economic and financial problems with IMF people.

5. Vietnamese Government will then decide whether devaluation advisable in light all factors.

During entire discussion impressed Vietnamese urgency this matter.

Memoranda being pouched. Ambassador present for all discussions. He and Young rejoining President Ngo Dinh Diem's party in Knoxville and will convey to him results these meetings.

Dulles

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385. Memorandum of a Conversation, En Route to Los Angeles, May 17, 1957[1]

SUBJ

Doubtful SEATO and American aid in case of armed hostilities in Vietnam

PARTICIPANTS

President Ngo Dinh Diem
Ambassador Tran Van Chuong
Ambassador Elbridge Durbrow

The following are highlights of a long conversation I had on the flight to Los Angeles with Ambassador Tran Van Chuong in which President Ngo Dinh Diem participated except for the beginning of discussion. It is perhaps worthwhile to point out how discussion arose. In going over the Los Angeles speech Chuong was preparing for Diem, Chuong included a statement to the effect that the communists were not deterred or much worried about American possession of A and H bombs. When I disagreed with this statement Chuong outlined at length his basic concepts of any future military operations which might take place in Vietnam. President Diem did not listen to the first part of the discussion, but listened without saying much during the bulk of the discussion.

Chuong's thesis is that he feared that Vietnam could not count upon the United States to come to its aid militarily under certain circumstances despite U.S. and SEATO commitments. He added that he is convinced that we would not use tactical or other nuclear weapons in the event we did come to their aid. He cited our refusal to use A bombs in Korea and our failure to enter the war in Indo-China with or without the use of A bombs before and after Dien Bien Phu. Chuong added that in conversations with other Asian colleagues in Washington most of them share his fears that the United States probably would not come to the aid of any individual country in case of hostilities unless it were in direct United States interest to do so. Chuong claims this is the reason why many Asian countries have turned to neutralism. He is also quite doubtful whether SEATO would, in all circumstances, come to aid of Vietnam if hostilities should break out. Chuong was very emphatic in saying that he and most of his Asian colleagues in Washington agree that the West lost a great deal of prestige in Asia by the Korean stalemate and the French collapse in Indo-China.

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[1] Source: Department of State, Central Files, 751G.5/6–1157. Secret. Drafted by Durbrow. Enclosed with covering despatch 383 from Saigon, June 11.

Chuong then outlined in detail the strong temptations facing all Asian countries to embrace neutralism. He argued that most of these countries reasoned that if they did not have to maintain large military forces they could balance their budgets and might, by their neutral attitude, be spared in any future war. He added that such temptations might also appeal to the people of Vietnam, although he gave assurances that Vietnam is different and realized that despite the heavy cost they must maintain as large an Army as they feel necessary to defend themselves and counter attack against any communist thrust. That is why President Diem wants to raise his force goal to 170,000 men.

When Chuong reiterated he did not believe the U.S. would use tactical A weapons in a local war in Vietnam, President Diem disagreed by stating he could envisage certain situations in which U.S. would use tactical A weapons. The President did not agree with Chuong's contention that a perpetual nuclear stalemate has been reached between the USSR and the U.S. The President believes the U.S. must keep on developing better nuclear weapons in order to keep ahead of the Soviets. If we did not the Soviets might develop a truly overpowering weapon which they might use to conquer the world provided they were certain the U.S. did not have as good a weapon with which to retaliate. Both agreed, however, that it would be most disastrous to use A weapons on Hanoi or other civilian concentrations, because the Vietnamese Government counted on the population in the North to rise up against the communists in the case of hostilities which would make it counter-productive to use A bombs on any populated areas. Both reiterated that they did not believe that American Air or Naval support could be effective in Vietnam, because of the prevalence of heavy cloud cover over most of country throughout the year.

Chuong stated that although Admiral Stump and other American Commanders had given assurances that we would come to the aid of Vietnam in case of difficulty, and he knew that they were most sincere in making these statements, he feared that they would not be permitted, by overall considerations, to carry out these commitments in all circumstances. I reminded him that in the last few weeks the world had seen a very forceful example which should convince everybody that we would come to the assistance of small nations under communist attack. I then referred to the movement of the Sixth Fleet with a reinforced Marine Division to the Eastern Mediterranean in the recent Jordan crisis.[2] Chuong and Diem both agreed that this forceful action did, in fact, indicate that we apparently intended to carry out our commitments.

Comments:

The reason I have reported these remarks in some detail is that it is the first time that I have heard Vietnamese, and in this case Diem by his silence apparently concurring, openly question whether we would carry out our commitments. I reported this conversation to Admiral Stump before he talked with President Diem about the situation in Vietnam.

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[2] After an internal crisis developed in Jordan in April 1957, the United States sent units of the Sixth Fleet to rhe Eastern Mediterranean.

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386. Memorandum of a Conversation, Honolulu, May 20, 1957[1]

PARTICIPANTS

President Ngo Dinh Diem
Vietnamese Ambassador to the U.S. Chuong
Admiral Felix B. Stump
Vice Admiral Anderson
Ambassador Durbrow

SUBJECT

Summary of Talk Between Admiral Stump and President Ngo Dinh Diem at Honolulu.

President Diem outlined again in some detail his strategic concept to justify the need to increase the Vietnamese forces by 20,000 additional men. Prior to this talk I had informed Admiral Stump of the conversation I had had with Ambassador Chuong, with President

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[1] Source: Department of State, Central Files, 751G.5/6–1157. Secret. Drafted by Durbrow on May 24. Enclosed with covering despatch 383 from Saigon, June 11.

Diem participating,[2] in which the Ambassador had indicated, among other things, that he was afraid the United States could not, in all circumstances, live up to the commitments given to Vietnam to come to its assistance in case of hostilities, as well as the Ambassador's conviction that, as in Korea, we would not use A-weapons in the event we should come to Vietnam's assistance.

After Diem had finished explaining his strategic concept, Admiral Stump, without giving any indication that he had been filled in on Ambassador Chuong's ideas, informed Diem along the following lines:

The Admiral stated that President Eisenhower and Secretary Dulles had declared on several occasions that in case the communists should open hostilities against any free-world country, the United States would use all means at its disposal to stop them, including the use of tactical A-weapons as well as other nuclear weapons if necessary. The Admiral added that we would not in any case hold back as we had in Korea. He added that we would not use nuclear weapons against concentrated civilian centers and that, if we were unable to stop the communists in Vietnam or nearby territories in connection with any hostilities, we would not hesitate to use all weapons at our disposal on such areas as the Canton military complex in order to bring about the defeat of the communists. The Admiral assured his listeners that the United States now has military capabilities which can stop and defeat any communist military thrust. The Admiral added that SEATO powers would also help in such circumstances. Diem again questioned whether the Asian SEATO powers could be very effective in assisting Vietnam in connection with any communist attack. He reiterated without indicating that he wished to be informed about them that the Vietnamese Government was not cognizant of SEATO military plans.

After the meeting in Admiral Stump's office while we were on the way to a military review, Ambassador Chuong asked the Admiral whether he personally believed that the Vietnamese army should be increased by 20,000 men as Diem has requested. The Admiral replied that this matter would have to be studied but that he personally thought Diem's request had merit, but added that before any decisions could be taken it would be necessary to know how much money the United States Congress would appropriate for various aid purposes. The Admiral stated he was sure that Diem and Chuong were well aware of the present economy drive in the Congress affecting all matters of aid.

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[2] See *supra*

387. Telegram From the Ambassador in France (Houghton) to the Department of State[1]

Paris, May 28, 1957—4 p.m.

6059. 1. We are concerned by implications Saigon's 3522[2] to Department indicating that at Vietnamese Government request US considering assignment American advisers to fill vacuum caused by withdrawal French military mission.

2. FonOff and French military apparently convinced Vietnamese request for termination French military mission encouraged, if not actually inspired, by US, despite repeated assurances on governmental level that it remains US policy encourage continued French participation in training Vietnamese air and naval forces.

3. We do not wish to question whether or not it would be desirable from military point of view for US to take over complete responsibility training Vietnamese forces. We do wish to point out, however, that French are suspicious and alert for any move on our part to fill gap caused by their departure. They will be quick to react sharply and bitterly to such a development at this time, regarding it as "proof" US duplicity and intention replace French in Indochina and elsewhere (i.e. North Africa). We believe just such suspicion of US intentions has already colored French attitude toward US policy Laos (Embtel 6027 to Dept[3]) and will inevitably have effect on whole range of US-French political and military relations. It should not be forgotten, for example, that French military who will react to US move in Vietnam will be same individuals with whom we must deal in Moroccan base negotiations.[4]

Houghton

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[1] Source: Department of State, Central Files, 751G.5/5–2857. Secret. Repeated for information to Saigon and Rabat; passed to Defense and CINCPAC.

[2] Not printed. (*Ibid.*, 751G.5–MSP/5–2557)

[3] In this telegram dated May 25, the Embassy in Paris reported in part that the French experience with Diem, especially his recent termination of French air and naval training missions in Vietnam, was causing France to increase its support for Laotian leaders it considered sympathetic to its interests. (*Ibid.*, 751J.00/5–2557)

[4] In telegram 4857 to Paris, June 4, the Department instructed the Embassy in Paris to raise at its own discretion the question of the withdrawal of the French air and naval training missions in Vietnam. The Embassy could inform the Quai d'Orsay and the press (on a nonattributable basis) that the United States had consistently pressed Diem to keep French air and naval training missions. "We would have preferred continued French handling air and naval missions if only for problem MAAG ceiling presents in U.S. assumption these functions." Nonetheless in view of the French threat in 1956 to withdraw the missions, the United States had been obliged to "consider contigency planning assume functions these missions should they be withdrawn." Since on May 24 the GVN had requested MAAG Vietnam to assign American advisers to fill the vacuum left by the anticipated withdrawal to French advisers on May 31, the matter was under study. (*Ibid.*, 651.51G/6–157)

Continued

388. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State[1]

Saigon, July 1, 1957—7 p.m.

4. Embtel 3698.[2]

1. Nhu's current pessimism . . . believed to stem in part from his exposure for first time to wider range problems mostly in economic field during absence President in U.S. While we have no reason believe Diem shares this pessimism, Nhu's thinking also reflects certain underlying attitudes of GVN leadership arising from combination of factors and sharpened by psychological let-down following Diem's trip to U.S. which, while personal triumph, did not bring any dramatic promises or moves that would appeal to popular imagination as new drive forward.

2. After successful political consolidation of past three years GVN is now entering period where it hopes build up, largely through economic means, a South East Asian "show case" that will far outshine DRV. With this objective in view regime may be frustrated by realization that, despite success of Diem's American tour, same old problems have to be faced and normal U.S. aid procedures (e.g., planning, study, justification, etc.) followed. There is also realization, recently voiced pointedly by Diem's brother Luyen, that VN is woefully lacking in trained administrative talent needed to reach its objectives. This problem is accentuated by Diem's unwillingness to delegate authority and the high standard of personal loyalty required of his subordinates, a criterion which limits group from which able persons can be recruited.

3. An additional complication is that since attempt on his life last February Diem has become more than ever obsessed with security so that this factor has tended to dominate his thinking and color his attitude toward all problems. (Examples: the highland settlements, road priorities, fear of Trojan horse in large French business enterprises.)

4. Despite indications of frustration in Diem's immediate entourage, there is little reason to believe there is a widespread "malaise." Certainly the country is at work and much progress is obvious.

On May 11 Williams reported to CINCPAC that he was told by a Vietnamese official that the French had insisted on withdrawing by May 31 after Diem directed on May 4 that they withdraw as soon as possible on a phased basis and in no case later than 6 months. (MAGCH 5862 from Saigon, 110535Z; Center of Military History, Williams Papers, TWXs 1957 (14))

[1] Source: Department of State, Central Files, 751G.11/7–157. Secret; Limit Distribution.

[2] In this telegram, June 19, the Embassy indicated that reports of Nhu's pessimism and criticism of South Vietnam's economic and Chinese policies were confirmed in less extreme terms by discussions with Nhu himself. (*Ibid.*, 751G.11/6–1957)

Goods are in plentiful supply, prices are stable and the rice crop is good. True, credit is tight but this in itself is not unhealthy condition and can be changed when situation warrants. Our economic and military advisors in the field all bring reports of progress and stability. Furthermore, Diem has relaxed somewhat his adamant attitude re French businesses by agreeing to BGI starting glass factory, etc.

5. Even so, the semblance of a state of "malaise" has been enhanced by increasing crop of rumors which according Diem are put out by Phan Quang Dan (opposition leader), bitter French colonialists and French military, Chinese and Vietminh. Additional disgruntlement has been caused by increased taxes and tightening money market due to various factors, i.e. uncertainty Chinese community coupled with deliberate Chinese hold back, tie up of money through higher tax receipts pumped into slow-moving GVN financial system and over-importation certain goods past few months.

6. Present period is one of transition and indecision as to what kind of economic program to adopt and how get this economic program under way. To whip up drive and enthusiasm some new conspicuous achievements are needed such as actual beginning of programs under Five-Year Plan coupled with announcement road-building in plateau area, new industries being started, settlement Chinese problem. Diem obviously conscious this need but seems somewhat undecided how best add new drive to regime. This feeling of frustration, perhaps more than anything else, is believed to be responsible for the pessimism reflected in Nhu's conversation.

7. Pessimism, frustrations and indecisions felt in varying degrees by VN leaders stem basically from long-term problems that cannot be resolved quickly or easily. These problems are essentially those found in all underdeveloped countries that seek progress. We shall have to live with them and the psychological reactions they engender.

Durbrow

389. Memorandum From the Deputy Assistant Secretary of State for Far Eastern Affairs (Jones) to the Deputy Under Secretary of State for Political Affairs (Murphy)[1]

Washington, July 26, 1957.

SUBJECT

Status of TERM (Temporary Equipment Recovery Mission) in Viet-Nam

In reply to the question you raised at a recent G staff meeting we are submitting the following information from the TERM mission.

You will recall that TERM was established in Saigon, Viet-Nam in June 1956 to recover and to ship out reparable MDAP material excess to Indochina needs, to improve the logistical capability of the Vietnamese armed forces, and to dispose of salvage and scrap returned to U.S. control. The taking over by TERM of what was in substance the logistical function of MAAG released MAAG's strength of 342 for training activities and provided through TERM 350 military personnel for logistics.

The International Control Commission (ICC), established by the Geneva Accords and consisting of Indians, Poles, and Canadians, has not accepted TERM as a legal activity and has continuously questioned the legality under the Accords. Correspondence on the matter continues between the Vietnamese Government and the ICC. During the first nine months of its existence, starting with June 1, 1956, TERM has accomplished the following:

1. Shipped out more than $36,000,000 worth of MDAP equipment (acquisition cost) from Viet-Nam, notably to Taiwan, Thailand, the Philippines and Japan. This is over and above the $137,000,000 worth of MAP equipment that had been shipped out prior to the TERM augmentation of the MAAG.
2. Converted the Vietnamese armed forces to the U.S.-type supply system, and assisted in the establishment of a functional logistical organization.
3. Arranged for the participation of Philippine technicians in on-the-job training, and made available spare parts and tools so that equipment could be maintained.
4. Assisted in the opening of the Saigon shipyard for the Vietnamese Navy.
5. Implemented a vehicle rebuilding program outside Viet-Nam.
6. Redistributed substantial amounts of matériel turned over by the French to the Vietnamese, Cambodian, and Lao armed forces.

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[1] Source: Department of State, FE-VN Files: Lot 66 D 193, MAAG-TERM 1957. Confidential. Drafted by Jones and Corcoran.

7. Also 391 Vietnamese military organizations were subjected to detailed end-use inspection and deficiencies were called to the attention of the Vietnamese authorities.[2]

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[2] The following marginal note is written on the source text in Murphy's own hand: "Howard, this is an excellent record and proves the wisdom of the policy. RM, 8/8/57".

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390. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, July 25, 1957—6:10 p.m.

165. Joint State–Defense–ICA message.

1. Vietnamese Embassy handed Department informal memorandum dated July 17 entitled "Aid Plan for Self Defense Corps",[2] summary of which follows in next three paragraphs. Requested appointment for Vietnamese Ambassador to discuss subject with Department officer.

2. On basis 60,000 man strength at 300 piasters per month each, MAAG Saigon approved initial two-year support amounting to 12,254,000 dollars for 1956 and 1957. Selection recruitment difficulties delayed establishment Self Defense Corps until late 1956. Therefore MAAG provided only 122,200,000 piasters for CY 1956 and 211,907,000 piasters for CY 1957 amounting to total of only 9,545,874 dollars out of 12,254,000 approved.

3. Tran Trung Dung asked MAAG for continuation of support for CY 1958. Received reply Country Team would recommend CY 1958 support only for 30,000 men at rate of 300 piasters per month each. MAAG added DS budget support of Self Defense Corps expected terminate December 31, 1957 and since no financial plans made in Washington to continue support after that date Country Team recommendation no guarantee funds available.

4. Memo requested Viet-Nam receive for 1958 "at least" support set forth in recommendation attributed to MAAG in paragraph 3 above, that is, 300 piasters per man per month for 30,000 men. Memo further described this "reduced" support as insufficient and attempted justify 60,000 man corps by reference to size of Viet Minh

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[1] Source: Department of State, Central Files, 751G.5-MSP/7-2557. Confidential. Drafted by Corcoran and cleared with FE/SEA and with ICA and the Office of the Secretary of Defense in substance.

[2] Not found in Department of State files.

armed forces. Concluded with request 6,054,000 dollars be provided for CY 1958 support of Self Defense Corps at present size.

5. Before discussion with Vietnamese Ambassador would appreciate your comments.

Dulles

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391. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State[1]

Saigon, July 26, 1957—8 p.m.

191. Re: Embtel 173.[2] Diem asked me to call July 25 and held forth for hour and half on India.

1. He opened by saying he had been thinking over carefully suggestions made by Kaul which he had discussed with me the other day (reference telegram). After warning I should keep this information strictly confidential he said that last year a high Indian official had approached him with following proposal: A. India thought it could obtain from ChiComs solemn declaration of non-aggression against unified Vietnam.

B. ChiComs would no longer endeavor exert any influence North Vietnam provided Americans pulled out of South Vietnam.

C. On this basis India felt confident it could bring about unification of country.

Diem informed Indian he could not accept proposal because: A. Could not trust word of ChiComs.

B. Viet Minh army many times larger than GVN's.

C. If Americans withdrew military and other support GVN could not maintain defense forces and so would become easy victim of north even if Chinese remained "neutral".

Diem then said he believed Kaul proposal another version of last year's approach but baited with story of deep discontent in north and assurances all people would vote for south in controlled free elections.

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[1] Source: Department of State, Central Files, 751G.00/7-2657. Secret; Limited Distribution; Noforn. Repeated for information to New Delhi, London, Ottawa, Paris, Moscow, Warsaw, Vientiane, and Phnom Penh.

[2] In this telegram, July 26, the Embassy reported on a conversation with Diem in which he recounted a July 23 conversation with T.N. Kaul, the Indian Chairman of the ICC. Kaul informed Diem that the time was ripe to hold elections to unify Vietnam because, if properly supervised, elections would result in a pro-Diem majority in the North. Kaul did pose the question, however, whether or not Diem could count on a majority in the South. Diem argued that China would never allow unification except under Communist rule and questioned how he could disband and render ineffective "600,000 Viet Minh troops." Furthermore, a unified Vietnam would have to be neutralist and Diem was unprepared to accept neutralism. (*Ibid.*, 751G.00/7-2457)

2. Diem attributed these approaches to unrealistic mystic attitude of Indians who hoped to play big role in Asia but according Diem their policy has basically failed and India now only fully neutralist country Southeast Asia. He convinced Burma waivering as neutralist, admitted Ceylon paid lip service to neutralism and Sukarno was running into serious opposition from majority of Indonesians because of neutralist attitude. Therefore Diem has impression neutralism has lost much of its appeal in Asia since Bandung conference. He said he now believed friendly Indian attitude toward GVN due primarily to fact that through its alliance with western bloc and American, Australian and British aid and support, country is succeeding. This success Diem believes had influenced most other Commonwealth countries to look askance at Indian neutralism. Although realizing its previous policies have not worked India still hopes play prominent role in Asia. Therefore while it will remain neutralist in order to gain time to build up its economy, India basically impressed by progress GVN which contrary to initial Indian belief has shown it could stop Communist advance in SEA. For this reason and despite its neutralist attitude India would continue to be more friendly toward GVN.

3. When I asked Diem if he thought it would be possible for anyone to change basic Indian policy and philosophy he said he had discussed subject with his brother Bishop Thuc. Both thought Indians were too mystic, unrealistic and timid as a people to adopt any other policy than the timid one of neutralism and "goodwill". While Nehru had held India together he was an aristocrat with no feeling for the masses and no spiritual dynamism that would permit him to lead his country in a war to maintain its independence.

4. Diem next discussed visit of Indian Vice President due here September 18. I asked whether he thought Indians would try to use visit for any substantive purpose. He replied they might but it would be merely effort exert Indian influence here which would fall on deaf ears if they persisted in trying to make Vietnam move in neutralist direction.

5. I referred to announced visit of Ho Chi Minh to Delhi in future and he replied it was his understanding Ho would visit Delhi next spring. He then laughed and said since Vietminh had heard about his own visit to Delhi from November 4 to 8 they also desired to go and the Indians of course had to accept to keep pretense of neutrality.

6. I told Diem I had heard a year or so ago in confidence from Indian officials that in their hearts they were pleased SEATO existed because it formed barrier to communist flood. Diem replied this was

probably true because SEATO was getting more organized and effective and GVN with American and other free world assistance had shown that even small country like Vietnam could not only maintain its independence but make steady progress.

7. On several occasions Diem said it was probable China and Russia were now asking themselves what they were getting out of friendship with India now that it had not only failed to enlarge neutralist bloc but this bloc was diminishing in effectiveness. I questioned the latter point by reminding him that Cambodia, Laos and as far as I knew Burma and Ceylon were still essentially neutralist. Diem replied he was convinced India regretted having induced Cambodia to be neutralist and urged Laos in same direction because all this had done was increase ChiCom penetration in those countries. He also reïterated his conviction neutralism in Burma and Ceylon was weakening. He attributed this in part at least to example of Vietnam which had increased in stability and progressed very well through its close association with free world.

8. *Comment:* From this long discussion of Indian history, philosophy, religion, lack of real spiritual values it seems to me Diem has been thinking about problem of India's position for long time and has apparently decided not much could be done to influence Indians although he still hopes they will be more friendly toward GVN.

I purposely introduced the subject of SEATO and from Diem's reaction do not believe we should pin our hopes on his asking for closer relations with that organization at this time.

Durbrow

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392. Memorandum of a Conversation, Saigon, August 1, 1957, 8:15–11:20 a.m.[1]

PARTICIPANTS

President Ngo Dinh Diem
Vice President and Secretary of State for National Economy Nguyen Ngoc Tho
[Name and title deleted]
Wolf I. Ladejinsky, Land Reform Adviser to the Government of Vietnam
Wesley R. Fishel, Chief Adviser of the Michigan State University Group

The President was in a good mood. After the usual introductory remarks and discussion of the teletype reports of the day, he made a few flippant comments about the possibility of his marrying a Lao princess, and discussed briefly (a) the weakness of the Cambodian Government, (b) the fact that he does not know the new Cambodian Prime Minister at all but doesn't think very highly of him, and (c) the apparent solution of the Chinese problem as evidenced by the small numbers of Chinese who were actually leaving the country.

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[1] Source: Michigan State University Archives and Historical Collections, Fishel Papers, Subject Files: VN Pol Leadership. Extracts. Drafted by Fishel.

. . . .

He then mentioned that General Oai was being replaced provisionally as Director General of the Civil Guard by Mr. Vu Tien Huan, who will continue also as Assistant for Internal Security to the Secretary of State for Interior. He commented that General Oai had made a number of statements, that he talked well, that he was not too bad a soldier, but that he had not, shall we say, "produced." That is to say, he had promised to make several changes in the Civil Guard, he had told the President he was making those changes, and he had then told the President he had make them. However, the President now learned that the changes had not in fact been made, that General Oai had simply talked a lot and had done nothing along those lines.

The changes in question involved the mass tranfer of Civil Guard units from their home provinces, that is, the provinces in which their members were recruited, to other provinces in order to develop a sense of national unity on the part of the Guardsmen. As it was, the Civil Guardsman felt loyalty to only his province, and when there was trouble in an adjacent province, he and his officers felt no urge to accept the call for assistance which came from that other province, go over there and clean up whatever mess existed. This, the President said, must stop. We are a nation; we are not a conglomeration of independent provinces, and regardless of all that General Oai had said, he had not carried out these Presidential orders.

It should be noted that this constituted a 180-degree reversal of the President's earlier expressed opinions concerning General Oai, his abilities, his vigor, his dynamism, the fact that he was one of the most promising young men and would clean up and reorganize the Civil Guard. It also is interesting to tie these remarks to the comments made to me[2] by General Oai at dinner when we were together last Sunday evening (July 28) when General Oai commented that his Deputy, Colonel Cuong, whom he had left in charge of the Civil Guard when he went to take over the Fifth Military Region, was trying to give him a "kick in the tail" in an effort to get him out of the job of Director General and take it over himself. And the General was quite concerned that his colonel might succeed. He claimed the colonel was painting a bleak picture of what had been accomplished when, in point of fact, he, the general, had accomplished a great deal and intended to be given credit for it. The President's remarks would indicate that the colonel's words carried more weight than had the general's.

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[2] i.e., Fishel.

Virtually the rest of the morning was devoted to a discussion of administration in Vietnam and a justification, quite defensive for the most part, by the President of his continual interference in the affairs of his ministers and his tendency to go around them rather than through them, to check up on them by talking with their underlings, and so on. (He became even more defensive when Mr. Ladejinsky observed that it was commonly assumed that the President made all government decisions himself.) Present at the the breakfast also with the President, Mr. Ladejinsky, and myself, were Vice President Tho and [name and title deleted]. The President praised Mr. Tho several times during the course of the breakfast and seemed to have complete confidence in him, both as an individual and as an administrator. Mr. Tho agreed whole-heartedly with probably 95% of what the President said and commented after the breakfast that we had heard the true views of the President, rather than some of the things which he occasionally said for publication or just to be nice; that these were indeed the President's innermost thoughts. (As a matter of fact, I had heard the President express many of these thoughts before, but this was the first time that I had heard him express them all in such a steady stream for so long a time, and indeed so defensively. At one point, he even referred to criticisms I had made of his administrative methods, which I had made to his face, nearly three years ago when I was new in Vietnam and was trying to get him to delegate authority and responsibility to lesser officials in his Government.)

Generally speaking, he said, the quality of my ministers is very poor. They are, for the most part, honest men, but you understand that in Vietnam in the last ten years we have had no training of *fonctionnaires* which has been sufficient to turn out men who understand even the routine of their jobs. The average fonctionnaire is incompetent. He is a man who may have had the proper cultural training to turn him into a good civil servant, or he may not. He has, in all probability, very little real capacity to do or to understand the work which he should be doing. He is sometimes intelligent, sometimes less intelligent, but whether he is a good man or not he is, generally speaking, untrained, and this is true of the ministers, even as it is of the lesser members of the bureaucracy.

Accordingly, the President feels compelled to spend much time dictating this and that; instructing his officials in the rudiments of administration. He cited the lack of control and understanding manifested by some of his ministers vis-à-vis administrative problems which came before them. In particular, he mentioned an incident involving Secretary of State for Finance, Mr. Ha van Vuong, as an illustration of the weakness of members of his cabinet, with the obvious exception of Mr. Tho and the occasional exception of Mr. Nguyen huu Chau. (See terminal note.[3]) In discussing the shortcomings of Secretary of State Vuong, the President noted that when he himself had been a young man he had been the scourge of wrongdoers. He gave a specific example of how a good education, sharp eyes, and a clear head made it possible for him to catch a district judge in a falsification which rendered him unfit for office. Briefly, the story was as follows.

[Here follow two paragraphs recording Diem's detailed description of this episode.]

However, said he, some of the present day civil servants don't show as much energy and initiative as he remembers himself showing in his youth. Province chiefs sometimes do not get out and see all the people in their provinces; district chiefs often do not know what goes on in villages with [*within*] their districts; and in the ministries in Saigon there are civil servants who never get out in the country to learn about the services which they head within their ministries in Saigon.

This brought the President to the question of briefings given him by his ministers during cabinet sessions or privately and of reports which were requested or expected of provincial chiefs, district chiefs, and other field officers. By and large, the quality of such briefings and reports was extremely poor. As a matter of fact, I might note here that in March of this year, just before my departure for the United States, the President had made similar statements to me and had asked if the MSUG could prepare a guide for briefings for his ministers and a report guide for his provincial chiefs, provided he made available to us some of the briefing materials which his ministers and reports which his chiefs of province had submitted to him. I agreed that we could and would, and subsequently MSUG prepared a sample report form for the provinces; however, the President never made available the briefing and report materials he had promised, and the matter stood thus until this day. And when the President brought up the question of the poor quality of the briefings and reports that he received from his officials, I reminded him of this earlier incident which apparently had escaped his memory.

He took this occasion to point out how few civil servants really understood how to present a report to a superior. At this point also, many of his prejudices *against* northerners and southerners and *for* people of the center, who are, in his opinion and in that of [name deleted], far superior either to northerners or southerners, came to the surface as they often do. He remarked, as is his wont, that the northerners are facile of tongue, are good pedagogues, write very well—indeed often beautifully—and are by all odds the most skillful writers, lecturers, professors in Vietnam. When they write a report, however, they are not content to report the facts—they embroider them, they make beautiful literature out of them, and in so doing they often lose sight of their objective. They become infatuated with the beauty of their prose and the result is that their report reads beautifully, sounds eloquent when read aloud, but very often doesn't make the points it should. Northerners are extremely didactic and very clannish—where you find one northerner, you find very soon five northerners, and where these five are then you will find 50, and so on.

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[3] Attached "Terminal Note" is not printed.

The southerner, by contrast, does no writing, generally speaking; he has no eloquence of tongue, and in most respects is the reverse of the northerner. But the man from the central provinces embodies the best virtues of north and south. He is more direct, he is more honest, he is not quite so eloquent, but he is more reliable in most respects than either his northern or southern compatriots.

This in turn, led the President to review the development of administrative training and education in Vietnam since the earliest days of the Vietnamese emperors on through the French colonial period and up to the present time. The only new statements he made were with respect to the training of the past ten years, which he said had been virtually nonexistent. Whereas during the imperial days and during the period of French rule young civil servants were taught how to write reports, how to make out a form, how to do all the routine practical things which a civil servant should know, in the past years such techniques had been lost. Most of the civil servants of today, he repeated, didn't even know how to prepare, for example, an order of service. He, the President himself, frequently had to edit, to correct, to rewrite orders of service which had been prepared by lesser officials. This was true of almost every form he could think of, and he had himself created new forms for the civil servants because they didn't seem to have any judgment of their own. Therefore, he felt that the curriculum of the National Institute of Administration, which was the hope of future in respect to the training of civil servants, should be more practical than it had been in the past, less legalistic and more practical, less philosophical and more practical.

The sine qua non of a good administrator is a good formal education. One of the troubles with the Institute was that most of the professors came from the north. And like all northerners, they were eloquent; they taught the students philosophy; they taught the students all sorts of nice metaphysical things, but they didn't teach them how to think, and they didn't teach them the practical things which an administrator should know when he goes out into the field. An administrator should be able on his own to order supplies, to report a crime, to write an order of service, to arrest a man and fill out the forms properly, and to write a decision in a case over which he is presiding as judge, and so on. The quality of the professors at the Institute (and by this he made clear that he meant the Vietnamese professors) was very poor, but it was very difficult to find men from the center or from the south to serve on the faculty. When he found such men who were capable, it was more important that they go into positions in the administration than that they spend their time teaching at the Institute. Therefore, it was more necessary than ever that we form good young professors to teach at the Institute.

Throughout this discussion, he referred again and again to the fact that he found it necessary as a result of the shortcomings that he had noted among his ministers and other civil servants, to go down into the administration himself and pull out people and get them to report to him personally so that he could be sure of having the facts, because his ministers didn't know how to get the facts and he had to teach them. He had given them all the responsibility and all the authority they needed. He had delegated, and delegated, and delegated, but they had proved unworthy of the delegation of authority and responsibility time and again, and this was why he felt constrained to step into the breach which existed and bring order out of the chaos. Several times during the conversation, the word chaos attracted him, and he spoke of the chaos of Taoism, the fact that the philosophy of many of the people of Vietnam, both of the north and of the south, was Taoist. These people felt that out of the chaos which reigned about them order would inevitably and spontaneously arise and then everything would be beautiful. However, he commented, "Unfortunately, I am not content to wait for the chaos around me to turn into order of its own accord. I am going to try to bring order out of chaos myself."

Again, at one point, he referred to the willingness of people on the outside, such as those he refers to as Dai-Viet types and Viet-Minh, to criticize officials within the Government who are trying to do a good job, and the person who is the brunt of most of the criticism these days is Secretary of State for National Economy and Vice President Nguyen Ngoc Tho. Mr Tho, he said, was an examplary civil servant, and yet, look at the scurrilous treatment to which he is subjected by citizens of Vietnam. Mr. Tho nodded approvingly during this discussion and seemed quite amused by the fact that he receives every week many dozens of letters, all, it seems, anonymous, many scurrilous, all pointing out shortcomings in the administration of the National Economy Department or other departments. In response to my questioning, he said he personally read every single letter and had found that many of them contained elements of truth but the large majority were totally false. He seemed unconcerned by the criticism, however, indicating that his shoulders were broad and he could take it.

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393. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State[1]

Saigon, August 3, 1957—3 p.m.

236. Joint Embassy/MAAG/USOM message. Ref: Deptel 165.[2] Following are comments on paragraphs of referenced message:

Paragraph 2. SDC originally approved by joint State/Defense/ICA message DEF 92661 dated 8 Feb 56[3] which authorized $6.2 million for SDC support during CY 56 and tentatively programmed same amount for CY 57. Message further stated "inasmuch as corps are not fully organized assume all temporarily allocated funds CY 56 may not be needed since plan based on salaries for full 2 months." Funds were budgeted on a calendar year basis and no authority exists to transfer unobligated balance of 56 to the same chapter of the following year. Nonexpended CY 56 and 57 funds cannot be utilized in CY 58. Recruitment difficulties were not only cause delay in establishing SDC. Unsettled condition of country and many pressing governmental problems contributed to delay. Although Washington approved SDC on 8 Feb and government was reminded continuously delay in establishing SDC meant loss of funds, a Presidential decree forming the SDC was not issued until 4 April 56. Furthermore, first official SDC units not formed until June 56. Since no funds were obligated or expended as of 30 April 56, country team directed withdrawal 94.3 million piasters in credit allocations on 18 June 56. The Vietnamese DOD request for reestablishment of this credit was denied on 21 Aug 56 by country team. CY 57 budget approved by Washington included $6.2 million for SDC's support. Current expenditures based on present strength indicate that during remainder of CY 57 there will be a savings of about 15 million piasters.

Paragraph 3. By country team decision budget now being prepared for submission to Washington will include $3.1 million for support of SDC for CY 58. Until Washington action on budget is announced availability of funds for SDC during CY 58 will be unknown.

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[1] Source: Department of State, Central Files, 751G.5-MSP/8-357. Confidential. Passed to CINCPAC.

[2] Document 390.

[3] Not printed.

Paragraph 4. After careful study problem country team recommends US support a 30,000 SDC at rate of 300 piasters per man per month for CY 58. Maximum strength of SDC of 58,377 was attained throughout period Dec 56–Mar 57. Since Mar 1957 there has been gradual reduction to strength of 49,773 as of 27 July 57. Original plan for SDC was that by CY 58 internal security situation and overall development of Vietnam would have progressed to point where combined efforts of provinces and national government could finance project. Effective distribution in critical areas only, combining command and administrative functions with Civil Guard and acceptance of additional financial burdens by provinces can reasonably be accomplished. Such action would reduce need for US support by approximately one half. This does not mean SDC cannot be larger than 30,000 if government wishes to finance additional strength. However, country team position is that a 30,000 SDC can probably meet its particular internal security requirement during CY 58 if Vietnamese attack the problem realistically and conscientiously. It is doubtful that such action can be promoted until exact amount of CY 58 US support for SDC is known. An early Washington decision is recommended prior to final budget action to facilitate Vietnamese internal security planning for CY 58.

It obvious from GVN memo July 17 to Dept as well as from SecState Interior Chau's conversation with me July 31 (memo conversation follows[4]) that GVN wants US to provide funds for 60,000 SDC not only for CYs 1956 and 57 but also for 1958 without regard to actual strength of Corps. This has never been US concept of our support of SDC. As stated under para 2 above unexpended CY 56 and 57 funds cannot be used in 1958 and as of this time we feel situation is such that US should support SDC of only 30,000 in CY 58.

Durbrow

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[4] In despatch 56 from Saigon, August 9. (Department of State, Central Files, 751G.5-MSP/8-957)

394. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State[1]

Saigon, August 6, 1957—8 a.m.

261. Reference: Embtel 236, August 3.[2]

1. On 3d Diem brought up question aid for 60,000 Self Defense Corps along line similar to Chau's arguments[3] (viz. there had been unavoidable delays in setting up SDC; use of SDC at full 60,000 strength plus Civil Guard would release army from internal security duties; GVN would have to change its central budget plans unless we provided funds for 60,000). Diem added (1) unfortunately Civil Guard not developing satisfactorily, (2) he therefore had relieved General Soai from Civil Guard command, (3) unfortunately dissident groups led or encouraged by Vietminh becoming more active many parts of the country, particularly along Cambodian border, (4) he had been led to believe on basis original discussion aid for SDC we would support effort for two full years regardless of when implementation started.

2. He pointed out GVN had for reasons beyond its control not been able implement SDC organization as soon as hoped and he realized we had made it clear aid would be given only to those actually on duty SDC. He then pled for "full amount promised" arguing this important due difficulties effectively organizing Civil Guard and increased Vietminh-inspired terrorism. His plans for increased internal security would be seriously affected if money not forthcoming.

I told him after conversation with Chau matter being studied but based on preliminary evaluation I believed it would be difficult justify aid for more than 30,000 effectives since (1) it had been made clear our SDC aid was temporary, (2) money allocated FY 56 had not been utilized due slow organization SDC, (3) under our fiscal system funds not obligated reverted to Treasury at end fiscal year and (4) it had been our understanding SDC costs would be assumed by provincial and municipal budgets within one or two years after Corps established. Therefore the recommendation had been made to give aid during CY 58 for only 30,000 effectives which seemed sufficient to tide them over until provincial and municipal budgets could handle the situation. I added that if he felt strongly we should continue to give aid for more than 30,000 we would probably have to take those funds from other aid projects he also interested in. Worthwhile report he twice stated in passing decision to cut SDC aid probably is indication there will be serious reduction in over-all GVN aid FY 58.

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[1] Source: Department of State, Central Files, 751G.5-MSP/8-657. Secret.

[2] *Supra.*

[3] In despatch 56 from Saigon; see footnote 4, *supra.*

I replied while there may be cuts we have no indication what they will be, if any. President urged we reconsider decision in view necessity step up counter-subversive activities.

Comment: In absence of more definite information regarding GVN's plans for SDC and of an evaluation of SDC's effectiveness against subversive activities, it difficult at this juncture to comment intelligently on Diem's plea. As pointed out in Embtel 236 SDC never reached full 60,000 strength and has been gradually reduced since March 1957 to 49,783 as of July 27. I have accordingly asked elements of country team concerned to re-study question so that we may have a better idea whether a larger SDC could make effective contribution to internal security under present conditions.

Durbrow

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395. Letter From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to the Commander in Chief, Pacific (Stump)[1]

Saigon, August 8, 1957.

DEAR ADMIRAL STUMP: Ambassador Durbrow has raised the question repeatedly about the 20,000 increase that was asked for. What we are going to tell Diem, etc.? Repeatedly I've told the Country Team that my guess was that Diem would not raise the question again in the immediate future. Apparently my remarks make no impression as the subject is brought up again and again and the conversation leads nowhere.

Apparently about a month ago Mr. Young wrote asking Durbrow if Diem expected a written statement from Washington on the subject.[2] Attached is a copy of the Ambassador's reply.[3]

Frankly, I don't think Diem will say anything more until he sees how the budgetary discussions come out.

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[1] Source: Center of Military History, Williams Papers, Office Correspondence July–Dec 1957 (16). Secret.

[2] Letter dated July 11, not found.

[3] In this letter dated August 7, Durbrow stated that although Diem had not mentioned the proposal for a 20,000-man increase in the Vietnamese armed forces to him, he had suggested to Williams in a conversation held shortly after the President's trip to the United States that Williams go to Washington to plead for the increase. General Williams had refused. "General Williams speculated, however, that since Diem had been told that Admiral Radford was opposed to the MAAG recommendation for an increase of 20,000 effectives, it is possible the President might raise the question again some time after Admiral Radford ceased to be Chairman of the Joint Chiefs."

Kindest regards,

S.T. Williams
Lt Gen, USA

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396. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State[1]

Saigon, August 30, 1957—10 a.m.

444. Herter–Richards visit.[2] The following highlights Diem, Herter–Richards conversation 28th (Diem went over almost identical ground with me 26th which have not previously reported):

1. Roads.

Diem went into considerable detail on his currently most preoccupying question—the need for adequate but expanded and not too expensive road network in high plateau with appropriate connections to coast of central Vietnam. Using specially prepared multi-colored map showing (a) population concentration along coast and in delta, (b) mountain areas, (c) high plateau area and (d) Mekong valley, he developed his strategy of filling high plateau with trusted energetic people from central Vietnam and demobilized troops who could develop agricultural economy of plateau and form "human wall" buffer to Communist infiltration from west. While he expressed appreciation excellent work being done by American contractors their roads too expensive and too elaborate for urgently needed larger network of less expensive but good roads in high plateau area to assist new settlers have access to rest of country and help movement of production. It imperative have such network soonest and therefore roads that could stand up for only five years without too much maintenance would meet immediate imperative needs. Once good foundations made roads could be improved later. He did not emphasize road to Laos, which referred to only in connection general need for roads.

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[1] Source: Department of State, Central Files, 110.2-HE/8–3057. Secret. Repeated for information to New Delhi, Phnom Penh, Vientiane, and Bangkok and to Kuala Lumpur for Herter and Richards.

[2] From August 23 to September 22, Under Secretary of State Christian A. Herter and special Ambassador James P. Richards, former Chairman of the House Foreign Affairs Committee, traveled to East Asia with the primary purpose of attending the independence celebrations of the Federation of Malaya, August 29–31. Before arriving in Kuala Lumpur, Herter, Richards, and their party visited Manila and Saigon (August 28–29). After the independence celebrations, they traveled to Rangoon, Bangkok, Saigon (September 8–10), Hong Kong, Taipei, Okinawa, Seoul, and Tokyo. Extensive documentation on this trip is *ibid.*, Conference Files: Lot 62 D 181, CF 899 to 905A.

In conversation 26th he made special plea for assistance build Ban Methuot–Kontum road as key road in area but this need not be to high standards planned for Bien Hoa or Ban Methuot–Ninh Hoa roads by American contractors.

2. Reasons urgency road network.

a. Viet Minh propaganda coupled with Indian ICC urging for unification of country by "free elections" placing Diem in embarrassing position because cannot agree open up communications with north or permit free travel between zones until settlers in plateau area are thriving and contented in their new environment.

b. If he should permit free travel now, Viet Minh would send "200,000 agents disguised as refugees" who would nip in bud his plan to flesh out economic base of country by filling plateau void.

c. Would be disastrous to have free elections now since are 14 million in north against 12 million in south and with Viet Minh police state methods south would be outvoted.

d. He has to take immediate advantage of drive being shown since independence by energetic people from Central Vietnam who are pioneering plateau by effective methods to sustain this drive by improving their lot primarily through adequate and extensive road system. People in south less energetic and live in isolated groups which encourages banditry and Viet Minh infiltration. This could happen in plateau area unless vacant land occupied by contented people. Diem made it clear he convinced regime would fall in next few years unless this accomplished. In his estimation he has maximum of three years to attain fundamental contentment plateau area which would give him solid enough base to make further progress later without fear of Viet Minh action or elections. This did not mean Diem giving up separate five year development plan.

e. Growing contentment in SVN next few years (contrasted to Viet Minh need keep people suppressed by expensive armed forces supported by heavy taxation) will eventually force Viet Minh to demobilize large number of troops and liberalize regime which would then permit people in north bring about unification with south. Diem feels same forces working in that direction in Communist China which cannot forever afford maintain large expensive army to suppress masses and will also have to liberalize.

3. Situation in Thailand.

In conversations 26th and 28th Diem claimed his increased preoccupation fill plateau void was emphatically strengthened by situation he learned about in northeast Thailand during Bangkok visit.[3] Phibun's Government facing two serious problems: Discontentment northeast Thailand and desire Moslem–Thailand provinces on Malayan border to join Federation. Diem claims since Thai Government has not paid attention to or fulfilled promises aid to northeast Thailand people that area becoming restive and thinking in terms of autonomy; many of leftist parliamentarians elected last winter are from northeast. Sarit who comes from that area has done nothing to relieve situation and Phibun promises for partial aid now not sufficient. Diem fears if he does not flesh out plateau same type situation will develop there. He added situation in Thailand very unhealthy with army and police each having approximately same strength under separate strong ministers which makes situation government very unstable. He asserted he would never permit two of his ministers to have such equal power and it essential in his opinion that government be backed by army alone under head of government. In general he then went over same ground re Bangkok visit reported Embtel 393.

4. General impression.

Throughout conversation Diem made it clear essential everything including roads must be done in a hurry to make up for time lost in past. He stated emphatically next three years will be those of decision and if many of essential things are not accomplished, even on semi-temporary basis, South Vietnam cannot survive. He apparently seriously worried his plan for resettlement plateau area may backfire badly and cause downfall of regime unless he takes immediate steps to bring more contentment to pioneers. This essential also because plans next year to settle large numbers demobilized troops plateau area. This being done for security, pol[itical] and economic reasons, with security paramount.

5. Uniform piastre exchange rate.

Under Secretary at our request brought up advantages which would accrue GVN if it establishes uniform exchange rate in line with IMF suggestion. Diem reacted firmly stating most difficult set uniform rate because lack adequate production Vietnam and cited continued inflation Korea after rate change. After Under Secretary had reiterated advantages uniform rate Diem replied US-Vietnamese group is studying matter and will continue its efforts.

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[3] August 15–19; a report on the highlights of Diem's Thailand visit, as recounted to Durbrow by Diem on August 20, is in telegram 393 from Saigon, August 21. (*Ibid.*, Central Files, 751G.11/8–2157)

6. Visit to Korea.[4]

Diem mentioned in passing that on Rhee's urging he visiting Korea about September 20 instead November. Rhee most anxious he visit anti-Communist Korea before neutralist India.

Durbrow

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[4] Reports of Diem's visit to Korea, September 18–22, are in telegram 263 from Seoul, September 19, and despatch 332 from Seoul, November 19. (*Ibid.*, 751G.11/9–1957 and Saigon Embassy Files: Lot 62 F 52, 361.1–Chief Executive, 1956–1958, Ngo Dinh Diem Visits, respectively)

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397. Letter From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to Vice Admiral G.W. Anderson, Chief of Staff to the Commander in Chief, Pacific[1]

Saigon, October 2, 1957.

Dear Admiral Anderson: Although I hate to bother a busy man with details from such a small element of the Pacific Command, I believe it well for you, Admiral Stump and certain members of your Staff to have the following information for general background.

On the 27th September, at a meeting of the Country Team, USOM discussed a mimeographed sheet of figures on budgetary matters (Incl # 1).[2] It presents several alternatives based on the assumption aid to VN will be cut 20%.[3] Purpose of discussion was to get agreement of Country Team for USOM to discuss these figures with the Vietnamese. It was agreed they should do so. I stipulated however, that it be made absolutely clear to the Vietnamese that the discussion was for planning, only. That we did not know what cuts would be made and the discussion was merely to generate thinking. To this USOM agreed and did carry out. (I had my Comptroller attend the meeting between USOM and the Vietnamese to be sure this was done.) It certainly generated the thinking and more, just as I expected.

The President had a meeting at 1500 on 1 October, lasting two hours, during which he presented a very strong case for the Military budget. Notes made by my interpreter (Incl # 2)[4] are meager because of the rapidity of the conversation between the President and the Ambassador.

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[1] Source: Center of Military History, Williams Papers, Official Correspondence July–Dec 1957 (16).

[2] Not found.

[3] See Document 402.

On more than one occasion the Ambassador attempted to switch the discussion to economic affairs without too much success. The President insisting [*insisted*] that at this time he wanted to discuss the Military features of American aid only, and refused to be diverted.

He made two remarks that to me were of outstanding importance, neither of which the interpreter included in his notes.

The first was that in event cuts forced a choice between adequate Military funds and funds for economic growth, then the economic growth would have to wait. I consider this to be an important decision, a far reaching one. One [*It*] gives an insight into his thinking as to conditions not only in Vietnam but this part of Asia.

His other remark that I considered of particular importance came about as follows: Speaking of peace time expenditures as contrast to war expenditures, things that we are all familiar with, such as in War more can be spent in a week than carried in a year's peace time budget, etc., he said "Do you think the Americans want to see American G.I.s on the 17th Parallel"?, or words to that effect.

Undoubtedly this remark was made to more forcibly impress upon the Ambassador what he considered the seriousness of the situation. However, what ever his reason, he made it and I may add much to my surprise as he had never made such a remark in my hearing previously.

Kindest regards,

S.T. Williams[5]
Lt Gen, USA

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[4] Not found attached. A typed record of this conference, dated October 1 and signed by Usera, is in Center of Military History, Williams Papers, Conversations with Diem 16 Sep 57–28 Dec 57.

[5] The source text is a copy bearing this typed signature.

398. Memorandum From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to the Ambassador in Vietnam (Durbrow)[1]

Saigon, October 9, 1957.

SUBJECT

Situation in South Vietnam

1. This is in reply to your memorandum of 4 October 1957[2] subject: "Draft Evaluation Paper[3] on Situation in South Vietnam".

2. The importance of the military in Vietnam should be viewed from three primary considerations:

a. First, there has been in the past a serious but today a less serious internal security problem. The pacification of the country is elementary in establishing and maintaining an economically sound and politically stable government. This is one of the basic objectives prescribed in U.S. aid programs. The nullification of adverse elements and a general reorientation of the entire populace toward American democratic ideals are major undertakings the success of which cannot be measured on a short range basis.

b. Second, the military provides a certain deterrent to aggression from outside sources. The wide dispersion of military and para-military units in the more remote and sensitive areas of South Vietnam definitely hinders the movement and activities of Viet Cong organizers and the spread of propaganda. The existence of combat units in being and stationed on likely avenues of approach to key areas within South Vietnam denies the Viet Cong the chance of a quick, easy military victory. This force is essential if aggression should occur in order to buy time to permit other friendly countries to react. Southeast Asia is one of the most vulnerable targets for communist expansion in the world today. Countries surrounding South Vietnam are probably particularly susceptible now and in the foreseeable future because of relatively unstable governments, low economic potential and small, weak military forces. These countries will undoubtedly be subjected to further political and economic subversions and some success may be anticipated. Under these circumstances, South

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[1] Source: Center of Military History, Williams Papers, Memos to and from Ambassador 1957 (18).

[2] In this memorandum Durbrow had asked Williams, "in view of the categoric statements made by Diem indicating that he gives paramount importance to building his armed forces to the possible detriment of beginning to build more solid economic and agricultural foundations," to give his views on whether "it is absolutely essential to build up the armed forces as quickly as Diem desires, even to the detriment of an economic buildup, and whether you believe it would be necessary to maintain at least 50,000 [*150,000?*] men under arms for the foreseeable future." Durbrow also asked Williams to contribute ideas for the recommendations to be made on a draft despatch on the general situation in Vietnam. (*Ibid.*) For the despatch as sent on December 5, see Document 409. Additional information on its preparation is in the despatch itself and in Spector, *The Early Years*, pp. 304–305.

[3] Draft not found.

Vietnam's military forces must be prepared to assume a dominant role as a deterrent to external aggression.

c. Third, the military, by continuously improving internal security and acting as a deterrent to external Communist aggression, certainly advances economic development and provides stability of the regime. One of the primary U.S. objectives in Southeast Asia is to develop in Vietnam a stable government which openly denounces communism and does not accept neutralism as a doctrine. Continued support of the military for the immediate future at its present level is essential if this objective is to attained. Any reduction in U.S. contributions to the military budget and a failure of the VN government to make up the difference would necessitate some adjustment in the force level. However, it appears at this time that even though some reduction in the U.S. contribution to the military budget may be made during CY 1958, in all probability the Vietnamese will not make any reduction in existing force levels during this period regardless of the cost to them.

3. The President undoubtedly wishes to "build up" the armed forces quickly. I think his sincere purpose has been to emphasize to American officials the need for maintaining the forces he now has and increasing their capability to meet the tension arising from internal or external sources or a combination of both and further and additionally to get an increase in troop strength, if possible. It appears to me that the President's reaction and comment over a possible reduction in the U.S. support in 1958 military budgets stemmed from his desire, as head of state, to maintain the best military posture possible in order to assure continued political and economical development. Further efforts on the part of U.S. agencies to work with him in developing solutions to problems in these fields probably will alleviate such anxiety to a degree.

4. As to the size of the military forces in Vietnam in the foreseeable future, some reduction may be possible and feasible. The timing of adjustments in the VN military structure is currently under study. It appears in light of the existing situation that, for planning purposes, the calendar year 1960 may be a reasonable time period for a possible reduction in forces. This MAAG is presently developing a five year mid-range plan which it is hoped will provide the blue print for interim development of detailed plans.

5. As to the Embassy draft submitted to me for comment on 1 October 1957, I wish to repeat that my impression of the general situation existing in South Vietnam today does not permit me to agree with the evaluation depicted in the proposed dispatch. During my service in South Vietnam, I have experienced many setbacks or delays within short term periods. However, in the perspective of longer periods, there have been many outstanding political, economical and military accomplishments in consonance with U.S. objectives.

6. The receipt in Washington of the prepared dispatch, as being indicative of present conditions in Vietnam, would unquestionably cause alarm and provoke unnecessary concern. The draft paper is too broad and general in many vital areas and tends to reflect opinions rather than facts. The reports which I have seen do not indicate a state of "considerable concern" regarding the internal security, the economic situation or the executive ability of GVN. Accordingly, I do not favor the dispatch of the proposed draft that I have studied.

7. I do agree that our most immediate and essential task here is to continue efforts to influence the President and his regime to make sound decisions on a timely basis and move forward on broad economic, social and military programs.[4]

S.T. Williams
Lt Gen, USA

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[4] In a letter dated December 9 to Admiral Anderson, General Williams stated that in a written report to Chapman dated November 22, not found, concerning a second draft of the despatch discussed in footnote 2 above, he had commented that there "was little variation in language and subject matter in the two drafts although there was considerable moderation in tone. That the thought continued that the President had failed in this task or was on his way to failure and to that I could not subscribe. That I could not agree that the President must be re-oriented from his Military Policy and the country thus become weakened in that field. Additionally, I suggested that since the Embassy felt so strongly about their paper they might consider sending it as an Embassy paper and not as a 'Country Team Paper'."

Williams continued:

"At a meeting on about the 26th November we were each handed a new summary sheet and asked to agree to it. I agreed to the summary provided they changed its opening paragraph. It was then modified. I was again asked if I would agree to the entire paper and I declined referring to my written answer of 22 November.

"On 5th December there was sent to me a covering statement in which my prior non-concurrence was stated and a request that I submit comments on the part that referred to my views at once as Embassy would pouch the paper that day. I replied that my views had been properly stated. (I was happy to note that this covering statement consisted of 2 1/4 pages further toning down the evaluation paper to a degree.)" (Center of Military History, Williams Papers, Office Correspondence July–Dec 1957 (16))

399. Telegram From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to the Commander in Chief, Pacific (Stump)[1]

Saigon, October 14, 1957—3:55 p.m.

140755Z. MAGCH 6564. Mr. Barrows, Director USOM, states Mr. Chau, Minister to the Presidency, 9 October discussed with him organization and operations of the Civil Guard saying President wished to attach Civil Guard organizationally to Department of Defense and would possibly make written request to that effect. Yesterday President indicated to me during long conference on many subjects[2] he did intend to write such letter. Basically, as I see it, the problem is this: The President believes, a. Civil Guard should be officered as good [*well*] as Army or better and be adequately equipped and trained for use as a national police force but capable of assisting Army in rear areas as para-military force in time of war. b. That Civil Guard has retained many worthless Officers and NCOs of little professional or academic education, is poorly trained, inadequately equipped. c. That these conditions can be correct [*corrected*] if under DOD. From conversations with Barrows I understand University of Michigan Mission advises him. a. Guard should be equipped and trained along purely police lines, only. b. All Army or ex-Army Officers and NCOs should be removed from the Guard. c. Guard should not be under DOD. My comment. Although having no responsibility for Civil Guard organization, training or equipment have advocated repeatedly to the Country Team guard standards be raised to enable it more quickly take over additional pacification duties delta area, thus releasing Army troops for combat training. At one time President placed Army Brig General Oai in command all Civil Guard later gave him additional duty as fifth region commander. Job too big for one man so Oai relieved overall command of guard. Now has fifth region only. However, as such has all Army troops and all Civil Guard in fifth (delta) region under his command. My impression from Civil [Guard] sources considerable jealousy between Civil Guard and Army in fifth region. Additionally get impression MSU also has dim view of Self Defense Corps. Certainly someone is passing plenty of adverse criticism of SDC to members Country Team mostly on charge Viet Cong infiltration of which I cannot get evidence. Barrows suggests hidden motive of President desire may be to get financial assistance Civil Guard from Military budget. However as U.S. does not contribute to pay and allowance of Civil Guard doubt President has such motive. President having discussed these differences in concepts of command and equipment with me on several occasions I asked him yesterday why he didn't use Doctor Fishel head MSUM, one of his intimate advisors, to resolve difficulties. He replied Fishel was incapable in this instance. Consequently suggested he call Barrows in and explain his concepts personally and in detail prior to or at time of submitting letter.[3] Believe this will now develop into hot subject as President has been expressing same views on different occasions for about two years.

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[1] Source: Center of Military History, Williams Papers, TWX's 1957 (14). Confidential. Drafted by Williams.

[2] See *infra*.

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[3] Barrows discussed the Civil Guard with Chau on October 17, and described the meeting in a memorandum to Durbrow dated October 18. (Center of Military History, Williams Papers, Record of Conversation between President and Ambassador Durbrow (120)) The Vietnamese letter on the Civil Guard, addressed to Barrows from Chau and dated November 2, was transmitted to CINCPAC in MAGCH 6658, November 4 (040721Z). (*Ibid.*, TWXs 1957 (14))

In a preliminary conversation with Chau on November 7 concerning the new Vietnamese concept of the Civil Guard's function, Durbrow stated that "it would be difficult for us to see our way clear to furnish the Civil Guard arms on the present MSU list if in a year or two under the new concept they would need different types of arms. Mr. Chau admitted that this raised a difficult problem but made no specific suggestion." Durbrow stated further that it was not clear to him "where the Self Defense Corps fitted into the picture under the new Civil Guard concept. Mr. Chau was not too clear in his answer but stated that the Self Defense Corps would be a completely separate organization from the Civil Guard, would be static, and act primarily as village policemen." (Memorandum of conversation between Chau and Durbow; transmitted to CINCPAC in MAGCH 6699 from Saigon, November 13 (130315Z); *ibid.*)

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400. Letter From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to the Commander in Chief, Pacific (Stump)[1]

Saigon, October 18, 1957.

My Dear Felix: On the 14th October I dispatched to your headquarters (MAGCH–CH 6564 DTG 140755Z)[2] a message relating to the Civil Guard in Vietnam.

After some further thought I've decided to send you the very brief notes on the subject, made by my interpreter, at a meeting held with the President on the 13th. This so that you could get a more detailed picture. Having decided to do this it occurred to me to include some additional paragraphs for your general background information. Not only are these other subjects of interest but will give you an idea of the wide field covered in these conferences which are often rather long.

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[1] Source: Center of Military History, Williams Papers, Conversations with Diem 16 Sep 57–28 Dec 57. Personal and Confidential.

[2] *Supra.*

Paragraphs 1 and 2, omitted, are of purely local concern and in reading would only take up your valuable time.

Frankly, I can't help but feel the relationship between the GVN and ourselves (Military excepted) is not as cordial as it was a few months ago. I hope I'm wrong about this but don't think so. To me, data in paragraphs 10 and 11 indicate this trend. These are not isolated cases.

Kindest personal regards,

S.T. Williams
Lt Gen, USA

[Attachment]

Memorandum of a Conversation Between the President of the Republic of Vietnam (Diem) and the Chief of the Military Assistance Advisory Group in Vietnam (Williams), Saigon, October 13, 1957[3]

The President received General Williams and General Myers at Independence Palace at 1500 hours. Lieutenant Colonel Usera and Lt-Colonel Foster served as interpreters.

. . . .

10. Friction With Michigan State University:—

The President remarked that he had had some friction with MSU due to their insistence on hiring Vietnamese personnel without clearing these with the VN government. MSU had pointed out that their contract permitted them to hire anyone they pleased.

The President complained that many of those hired were Dai Viet who were not politically sound and that he had asked MSU to get clearances from the government prior to hiring personnel. The last time, Dr. Fishel had told the President he had cleared certain individuals through the Sûreté and he had explained to Dr. Fishel that Sûreté had no dossiers on people from the North and could not give proper political clearances—only the Secretary to the Presidency—Mr. Chau—could do this.

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[3] Extracts. This memorandum was classified Secret. Drafted by Usera. The omitted sections include discussion of technical services, aerial photographs, French aid, inspections, the military budget, and the visit to Vietnam of Laotian Prime Minister Katay Sasorith.

The President stated that many of the employees of MSU are Dai Viet who are insolent even towards high government officials and recently MSU had difficulty in getting certain documents from the Ministries because the Ministries were not willing to have sensitive material handled by native employees of MSU whom they considered politically suspect.

The President complained that MSU failed to understand his concept for the Garde Civile. They wanted to form the Garde Civile as a rural police force whereas he wanted a para-military force under the Ministry of Defense but used by the Ministry of Interior during peace-time. The President said he wanted a force similar to the Civil Guard used in Europe and other areas with excellent results. He envisaged a small percentage of the Garde Civile to be used as rural police with mobile units armed with regular weapons, including mortars, and signal equipment, which could be moved quickly to trouble spots and be capable of acting against riots or strikes in population centers including the capability of running railways or public utilities in case of need. In war time the Garde Civile would take over the defense of rear areas allowing the Battle Corps to be fully available for front line service.

In order to achieve such a force, the President felt he had to replace the inefficient cadres presently commanding the Garde Civile and replace them with Army Officers as soon as he had a surplus of these latter. MSU was against this and saw no need for ex-army officers in the units. He, on the other hand, wanted officers for the Garde Civile who had finished Dalat and had an additional year of training in law and police methods.

The President complained that MSU and USOM seemed to think that the same organizations could be used in Vietnam as the ones being used in Michigan and this was not valid reasoning. With all the piracy and terrorism in areas of Vietnam, this was not peace but war.

The President stated he had prepared a letter which he was presenting to USOM on the Garde Civile. General Williams suggested that the President call in Mr. Barrows and explain the military situation to him in detail before he presented the letter. That a letter of necessity had to be short and his concepts should be explained in detail and direct to Mr. Barrows and not thru a third party.

11. USIS:—

The President mentioned the fact that USIS also failed to obtain clearances for personnel they chose to go to US schools. General Williams said he understood that all Vietnamese Civilians chosen for schools were presented to a board of VN civilians for approval. The President said that this board was composed of professors and others who checked on the educational and professional eligibility of the prospective students but who could not judge their political background or reliability. USIS had been told that only the Secretary to the Presidency could give official political clearance and authorize the necessary visas but USIS had declared that "their budget was their own, not subject even to the control of the Ambassador, and they would use these funds to send whomever they pleased".

The President mentioned that, recently, USIS had sent to some government agency a list of spaces for training in the US and the Vietnamese working in USIS had taken advantage of their prior knowledge of the spaces to advise and urge friends and relatives to apply for the training. He felt that this was improper and that VN government itself should be apprised of such opportunities so as to give wider distribution and opportunity to all Vietnamese to attend such training in the US. He felt that, in any event, political clearance had to be through the Secretary of the Presidency and not through extraneous agencies.

During this discussion of USIS the President made a most unusual remark. He picked up a tea cup from the table and said "if they want to take this cup or any property to the U.S. that is alright but if they want to take a Vietnamese Citizen, a human being, then they have to have proper permission. If they want slaves, then let them go to Africa for them" or words to that effect.

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401. Editorial Note

On October 22, at 7:25 a.m. Saigon time, a group of United States Army officers were injured in a dynamite explosion; 10 minutes later a busload of United States enlisted men were injured when their army bus was dynamited. At 1:08 p.m. the USIS Library in Saigon was bombed without injury to library personnel or users, but causing extensive damage. Initial intelligence reporting held that this violence was a part of a terrorist plan against United States personnel in Vietnam and United States agency offices instituted security procedures. It is unclear whether or not these procedures were the reason, but the attacks of October 22 proved to be isolated incidents. (Telegrams 843, 848, October 22, and 862, October 23, from Saigon; 751G.00/10–2257 and 751G.00/10–2357 respectively; Historical Office, Department of State, "Assaults on United States Diplomatic, Consular, and Information Installations Abroad, 1900–1965," Research Project 709, September 1965)

402. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State[1]

Saigon, October 28, 1957—6 p.m.

902. Asst Sect Robertson from [Durbrow?]. While appreciate VN must take substantial aid cut due global Congressional cut as outlined Icato 612 to Saigon, while [*we*?] strongly share Barrows apprehension expressed Toica 584.[2]

We have been discussing FY 58 aid with Diem and others[3] and have made it clear VN will have to take substantial cut, probably as much as 20 percent, arguing Congress cut global figure 20 percent. Diem and others have reacted rather strongly and use following arguments:

1. After defeating Vietminh and sects in 1955–1956, these elements have regrouped and have stepped up terrorist operations (there seems no question this true although situation in hand). Therefore Diem holds he cannot reduce military and security expenditures during coming year.

Diem has gone so far, due to his apprehension about stepped up Communist activities, to indicate strongly must build up military-police forces even if means little or no economic development. (We believe he is a bit too apprehensive on this point and he should devote more aid and resources to economic development.)

2. Part of his apprehension re need military strength of his own, is due in large part to unfavorable developments in other SEA countries:

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[1] Source: Department of State, Central Files, 751G.5-MSP/10-2857. Secret.

[2] In Toica 584, October 24, Barrows responded to Icato 612 in which ICA suggested a cut in FY 1958 defense support for Vietnam of $58 million, reducing Vietnam's share to $175 million. Barrows noted that this cut would be in excess of the 20 percent global reduction and would cause considerable difficulties with Diem, which Barrows described in Toica 584 as follows:

"Persuade Pres Diem accept even proportionate share worldwide cut difficult enough in view repeated assurances firm US support beginning with conversation Pres Eisenhower in May, and US admiration his vigorous anti Commie position. He has in fact intimated that to lump him with other recipients and to ask him to absorb proportional cut would be treating him unfairly, and damaging to his prestige. Cut of even $5 million below worldwide share would provoke charges US violating high level commitments, taking VN for granted while continuing award large sums countries much less reliable than VN in support US position. I fear final agreement FY 58 program and mil budget, now progressing well, would be seriously disturbed and greatly delayed any cut below $180 mil.

"Earnestly request ICA/W reconsider and fix FY 58 DS aid level not lower than $180 mil." (Washington National Records Center, ICA Message Files: FRC 59 A 2458, Box 78, Vietnam)

[3] A report of a discussion, October 1, among Diem, Durbrow, and General Williams on aid to Vietnam is in despatch 115 from Saigon, October 8. (Department of State, Central Files, 751G.00/10-857) Another discussion on the same topic between Durbrow and Vietnamese Vice-President Tho, October 10, is in despatch 140, October 24. (*Ibid.*, 751G.12/10-2457)

(a) Neutralist Cambodia, he claims, is harboring Communist cadres who are stepping up attacks in VN (this probably has basis in fact).

(b) RLG and PL seem to be getting together and Laos may well slip under Commie influence.

(c) After Thai elections Thailand may go toward neutralism or make further accommodation with ChiComs.

(d) Most other countries, except Malaya, in South and Southeast Asia are already neutralist. Therefore, VN may find itself isolated and alone on mainland as only fully committed Free World anti-Communist country.

3. Why should Vietnam, which has backed Free World and adopted all out anti-Communist policy, have to take proportional cut to global reduction set by Congress. They argue cut the soft neutralist countries more than 20 percent and reward those who follow US policies and are actually fighting Communists by military as well as political action.

4. If VN does not get at least as much as last year less 20 percent imposed by Congressional cut, internal pressures will grow against Diem's pro-US policies and dependence, with opposition making demagogic claim other countries seem be getting aid from both blocs, so why depend on US which cutting aid to VN. Why not get aid from other bloc to make up for US cuts.

Diem seriously, with considerable reason, beginning become apprehensive about VN possible isolation in SEA and he also seems be more isolated from VN people, both of which incline him to concentrate on military-police power. In his interests and ours he must be induced make essential decisions build up economic base to win confidence of VN people. If aid cut to $175 million will be most difficult induce him devote more to econ development, just at time when we have begun to make some headway on this matter. What momentum we have gained in effort to push econ development will be lost if we do not have concrete means induce him pursue economic plans and projects he himself would postpone or neglect.

While we do not share his full apprehension of security versus development needs, our chances of inducing him to devote more attention and resources to economic development will be greatly reduced if we have to insist VN take more than 20 percent cut. If we are not able effectively to get him to build up economic base and step up exports and if Congress further reduces aid next year, this small but vital piece of real estate in SEA may slip with the others in this area. This probably would mean Diem too would eventually go, but in any event we would lose a fairly staunch friend in the Asian mainland.

Therefore if we could give him for FY 58 less than 20 percent cut we would be in much better position insist on more firm action in econ field. It would be clear it pays be firmly on our side. To receive more than a 20 percent cut would almost certainly raise doubts on that score. It seems from here increased terrorist acts, which probably Communist inspired, as if by design aid longer-range Commie subversive campaign plan induce Diem devote too many resources to military-police effort and this in its turn, further lessens his appeal to VN people, and minimizes contrast in standard of living between north and south.

I hope therefore you will find it possible to have full consideration given to the above factors before a final decision is made to cut VN aid to $175 million and if at all possible accord VN less than 20 percent cut so that they will receive more than $180 million we have been discussing with them.

Durbrow

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403. Memorandum for the Record, by Colonel James I. Muir of the Military Assistance Advisory Group in Vietnam[1]

Saigon, November 5, 1957.

The Country Team discussed the provision of funds in the 1958 budget for the Self-Defense Corps at a Country Team meeting in the Ambassador's office on Tuesday, 5 November, beginning at 1000 hours. The following personnel attended: Ambassador Durbrow, General Williams, Mr. Barrows, Mr. Campbell, Mr. Chapman, Mr. Haraldson, Capt Brookings, Mr. Opal, [name deleted], Lt Col Haley, Mr. Price, Mr. Bowie, Colonel Muir, Lt Col White, Major Gildersleeve.[2]

Ambassador Durbrow discussed the various reports concerning the operations and administration of the SDC which had been received from . . . MSU, pointing out that it appeared the SDC was badly infiltrated with Viet Cong agents, that it had no real training in police work, anti-subversion operations, political warfare or military training, and that pay was not uniform throughout the Corps;

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[1] Source: Center of Military History, Williams Papers, Memos to and from Advisor Sec Def 1957 (27). Confidential. Colonel Muir served as an adviser in the Ministry of Defense.

[2] Alan L. Campbell, Jr., and Christian G. Chapman were both Political Officers with the rank of Second Secretary. Wesley G. Haraldson, Deputy Director of the U.S. Operations Mission; Captain Robert S. Brookings II, Naval Attache; Chester H. Opal, Country Public Affairs Officer; Lieutenant Colonel John J. Haley, Assistant Army Attache, Darrell M. Price, Deputy Public Affairs Officer, Thomas D. Bowie, Counselor for Political Affairs. Lieutenant Colonel White and Major Gildersleeve were members of the Military Assistance Advisory Group.

there was no real screening of personnel inducted into the Corps, and that they had no equipment worthy of the name. He went on to say that the lack of MAAG reports from the Southwestern area of Viet Nam seemed most ominous to him, and indicated that the VN were trying to hide something from the MAAG Advisors.

Major Gildersleeve discussed a written report submitted by the 5th Region advisor, and an oral report made by the 11th Division advisor, pointing out specifically that there was no indication of Viet Cong infiltration in either of these reports from the Southwestern area.

Colonel Muir explained that training of SDC was about to be taken over by the DOD, in accordance with an agreement between [name deleted] and Secretary Chau, and that MAAG had prepared a training program for SDC that would be sent to DOD shortly.

Mr. Durbrow said that Mr. Chau, 10 days before, had told him that training of the SDC would be done by the Civil Guard, and not by the DOD. Colonel Muir explained that DOD had confirmed only three days before that ARVN would conduct training for SDC, and that DOD was awaiting the training program from MAAG.

Mr. Barrows said in his opinion the new letter from Mr. Chau on the subject of the Civil Guard changed the whole picture, and that an attempt should be made to find out where a solution of the Civil Guard program would take us before any decision was made on SDC. It might be determined that it would be better to spend funds, which might otherwise go to the SDC, on improving the Civil Guard, or on some other project.

Major Gildersleeve quoted from the guidance provided by the Operations Coordination [*Coordinating*] Board of the National Security Council dated April 1957,[3] and Mr. Barrows explained that the guidance from OCB had been based on reports from Viet Nam, and in his opinion the situation had changed.

Mr. Durbrow asked supposing funds were not provided for the SDC, were there any other projects that might be undertaken with the money that was so saved. Colonel Muir explained that the Budget Advisory Committee, in considering the budget, had approached each request on its own merit, actually including one project not requested by the Vietnamese (the formation of animal pack units) because it was felt that it was a requirement. In view of the fact that each request had been considered entirely on its own merit, there did not appear to be any areas where more money could be logically applied in the event funds were refused for SDC.

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[3] "Outline Plan of Operations with Respect to Vietnam," April 12, not printed. (Department of State, OCB Files: Lot 62 D 430, Vietnam)

Ambassador Durbrow reiterated his concern about the apparently poor administration and questionable operations of the SDC, and agreed with Mr. Barrows that the letter concerning the future of the Civil Guard[4] would have many implications affecting the SDC. He asked General Williams if he wished to join him in a discussion with Mr. Chau on this letter, and General Williams pointed out that [name deleted] should also be present in order to clarify the matter of training for the SDC. He also explained that he did not want to have any discussion until he had had time to study the proposals in the letter and have his staff comment on them. Ambassador Durbrow said he had thought that clarification of the obvious loop holes in the letter might make staff consideration of the letter simpler, and Mr. Barrows agreed. Ambassador Durbrow said he would arrange for a meeting with Mr. Chau on Tuesday or Wednesday, 12 or 13 November.[5]

Mr. Barrows stated that he had not yet heard any evidence that had led him to believe that the U.S. should not support a 30,000 SDC, despite the reports from MSU . . . , nor had he heard any conclusive evidence that the U.S. should instead support 43,500. He suggested that approval of the budget to support a SDC of 30,000 would solve the immediate problem of the budget. Mr. Haraldson suggested that the entire military budget for the SDC might as well be supported by the United States, since the U.S. would directly or indirectly be supporting the Vietnamese contribution to the budget in any case. Ambassador Durbrow expressed concern at the fact that the SDC had been in being for two years, and that we had poured money into it for two years, and that still it was not working, and appeared to be infiltrated with Viet Cong. Colonel Muir objected that it was working very well except in the South and that it was unfair to state that the SDC was not working and was no good. Major Gildersleeve pointed out that the SDC was working very well in sensitive areas of Quang Tri, Hue and Tourane. Mr. Barrows said he thought this was because the villages in this areas were good villages, rather than because the SDC was particularly good. Lt Col White reviewed the basic ideas which had been behind the formation of the SDC, pointing out that it had been intended that the SDC be a static force in the villages, while the Civil Guard should provide a mobile force to assist in pacification operations. General Williams asked if Ambassador Durbrow desired to cut out all funds for the SDC, and Ambassador Durbrow said no, but that he thought some caveat should be applied to the expenditure of funds which might be made available for the SDC.

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[4] See footnote 3, Document 399.

[5] A meeting between Durbrow and Chau took place November 7. See *ibid.*

A general discussion followed concerning the controls which might be placed on funds made available through MAAG, and it was agreed that controls should be established that would permit MAAG to withhold funds even though they had been approved in the budget.

After considerable additional discussion along the same general lines as the above, considering the pros and cons of support for the SDC, it was agreed that:

(1) The budget presented by MAAG to the Country Team would be approved, with a specific caveat concerning the SDC, stating that funds would not be released for the SDC until the GVN has agreed to certain improvements and clarifications in the administration and overall operations of the SDC.

(2) Needed clarifications and improvements in the SDC would be discussed with representatives of the GVN, and it would be explained to GVN that funds would not be released until the Country Team was satisfied that improvement could and would be made. Ambassador Durbrow would discuss these matters with Mr. Chau, and thought it might prove desirable for him and General Williams to discuss them also with the President at a later date.

(3) The decision as to the amount of funds to be applied to the support of SDC should be reached, if possible, before 1 January 1958 by the Country Term [*Team*].

(4) If possible, MAAG should assume the additional duty of checking on the performance of the SDC. General Williams pointed out that this may not be feasible, and that it would require study on the part of MAAG before he could agree to it.

(5) USOM would continue check on the status and performance of the Civil Guard pending clarification.

(6) USOM would check with Mr. Chau on the exact meaning of the provisions of the letter concerning the future of the Civil Guard.

(7) The caveats to be presented to the Vietnamese Government would be developed by Mr. Bowie, assisted by Colonel Muir. In this connection, General Williams pointed out that the only caveats he required were those submitted in paragraph 6 of MAGCH 6540;[6] and

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[6] In this telegram of October 8 (081001Z) Williams had given CINCPAC his "military evaluation of SDC and overall requirement justified for US support." The MAAG Chief noted that since the combined efforts of the Army, the Civil Guard, and the Self-Defense Corps had brought about a long-range improvement in the internal security situation, it was hard to isolate the SDC's contribution, but that it had "contributed substantially to the cause of the Vietnamese Government by serving as a deterrent to communist and rebel activity in areas not protected by other police, para-military or military units and by assuming in conjunction with the civil guard security missions in remote areas which previously had been responsibility of the Army." After a description of the SDC's command structure and its training, Williams concluded:

"SDC units should be located in villages and towns along the Laos–Vietnam and Cambodian-Vietnam borders, in other remote villages along possible avenues of approach in pacified but still vulnerable areas which are not protected by other static units. Units should be provided only for villages with population of 5000 or less. Size of units should vary, dependent on village, population, remoteness from other security forces and security requirements. After relating these factors to the total number of

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that since the exceptions taken to the proposed budget support had been voiced by the Ambassador, USOM, and MSU, he wished the caveats based on their concern to be prepared by them.

(8) The caveat to accompany the budget to Washington, in connection with the support for the SDC, would be prepared by Mr. Bowie, and Colonel Muir.

Subsequent to the meeting Mr. Bowie, Colonel Muir, and finally the Ambassador agreed that the following paragraph should be included in a covering letter, which should become an integral part of the budget.

"In respect to funds for the Self-Defense Corps, information has recently come to the attention of the Country Team which has led it to conclude that it is important to require certain improvements and clarifications in the administration in the overall operation of this Corps before finally releasing funds for its support. In addition to the stipulations established in paragraph 6 of radio MAGCH 6540 and approved by CINCPAC in radio 162305Z,[7] and DOD in radio 242237Z,[8] concerning the SDC, additional caveats must be worked out with the Vietnamese Government before funds will be released by MAAG."

At the same time, the Ambassador agreed that the military budget approved by the Country Team should be presented to representatives of DOD, with the clear understanding that funds for the support of the SDC had not been approved by the Country Team, and would be forthcoming only if certain provisos concerning the SDC were met by the Vietnamese Government.

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villages of under 5000 population in Vietnam, this MAAG concludes that 43,500 SDC personnel will meet the minimum military requirements for static SDC units in villages. US support for not less than 43,500 SDC personnel is recommended for CY 1958.

"The SDC still holds promise of giving a big return for a relatively small investment. Properly deployed and trained SDC units will not only give villagers assurance of governmental protection but will add materially to the development of both short and long range military capabilities. Realization of the full potential of the SDC requires that the organization be divorced completely from the Civil Guard, that training be standardized, improved and modelled along para-military lines, and that missions and dispositions be reoriented toward the original static concept. MAAG efforts are directed toward accomplishment of these improvements." (Center of Military History, Williams Papers, TWXs 1957 (14))

[7] In this telegram to the Office of the Secretary of Defense, dated October 17 and repeated for information to MAAG Vietnam, CINCPAC concurred in U.S. support of SDC forces at the 43,500 level recommended by MAAG Vietnam. (*Ibid.*)

[8] In this telegram to CINCPAC, dated October 25, repeated for information to MAAG Vietnam, OSD stated it had no objection to informing the Vietnamese Government of U.S. support of the SDC at the 43,500 level, though it warned that this might mean a cut in some other segment of the Vietnamese military budget. (*Ibid.*)

General Williams later approved the paragraph concerning release of funds for the SDC to be included in the covering letter submitted with the budget.

James I Muir, Jr.
Colonel, Infantry

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404. Telegram From the Ambassador in Vietnam (Durbrow) to the Embassy in Cambodia[1]

Saigon, November 13, 1957—1 p.m.

180. Diem reports Nehru brought up question GVN–RKG relations.[2] Diem told Nehru:

1. He had not massed troops but only maintained sufficient police and troops to try control stepped-up terrorist acts in delta area.
2. VN has too many other problems to solve ever to think of attacking Cambodia.
3. Frontier and dissident problem could be solved if RKG officials would cooperate with GVN officials in operations liquidate dissidents.
4. Sihanouk doing nothing to organize effective government or for economic development.
5. Sihanouk only playing demagogic role by inventing GVN military menace in order distract public attention from their bad economic situation.
6. RKG not trying prevent Viet Minh elements infiltrate from north to cause trouble in VN.
7. If nothing done to build up strong government RKG and take effective steps toward economic development in the next two years there would be successful revolution organized by Communists.

Nehru showed much interest in these reports and promised to do what he could to rectify the situation. While Diem encouraged Nehru he did not have high hopes for effective action. Details by pouch.[3]

Durbrow

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[1] Source: Department of State, Central Files, 033.51G91/11–1357. Confidential. Repeated for information to the Department of State, New Delhi, and Vientiane. The source text is the Department copy.

[2] Diem visited India November 4–9.

[3] In despatch 172 from Saigon, November 19. (Department of State, Central Files, 751G.11/11–1957)

405. Letter From the Chief of the Military Assistance Advisory Group in Vietnam (Williams) to the Commander in Chief, Pacific (Stump)[1]

Saigon, November 16, 1957.

My Dear Felix: This is in reply to yours of 24 October[2] relating to "*declining cordiality*." I've been delayed in writing this letter due to influx of visitors, press of business, and my absence from Saigon at Division maneuvers in the Tourane area.

When I speak of *declining cordiality* I refer to frame of mind of Americans as well as Vietnamese. It is my considered opinion, based on intangibles as contrast to positive proof, that relationships between official American groups in Vietnam have *deteriorated* during past few months. This opinion is based on the one hand by remarks that have been made in private to me by certain VN General Officers; Mr. Thuan and [name deleted], DOD; and in facial expressions frequently used by the President in private conversations, as contrast to his exact words and on the other hand by statements made by Americans in official meetings. These remarks normally are such as to indicate a high degree of dissatisfaction with results of their business meetings with members of the GVN. If their conversations are such as they report it can only be assumed that they hold their counterparts in very low regard and the conversations with them definitely less than cordial. Such remarks as stated in my presence could only be considered by the VN as belittling and consequently keenly resented. However, I have not noted particularly any strained relations at social or semi-social gatherings.

It has been some time since I've heard any thought or plan put forward by GVN that was not severely questioned or actually scathingly attacked. For some time I questioned this procedure and the tone used to describe VN proposals and have attempted to explain in more moderate language what I believed the VN had in mind. This to little or no avail. We have been cautioned that "localitis is the greatest crime in diplomatic field." This is not too difficult to understand and certainly should be guarded against in diplomatic field or any other. *Currently "the thing to do" is to belittle and question.* However, I resent a friend of mine being referred to as a SOB ("he is our son-of-a-bitch so we have to put up with him") or official communications being referred to as "a lot of bull-shit." If persons must, they can be profane without being vulgar, particularly before a captive audience. Vulgarity is distasteful to me and I do not allow it in my presence among Military under my Command.

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[1] Source: Center of Military History, Williams Papers, Personal Correspondence 1955–1957 (31). Confidential; Personal.

[2] In this letter to Williams, Stump had asked the Chief of MAAG to expand on the remarks concerning personal relationships between Vietnamese and U.S. officials made in Williams' letter to Stump of October 18. (*Ibid.*, Conversations with Diem 16 Sep 57–28 Dec 57) For the letter of October 18, see Document 400.

As to what you can do, nothing. I'll continue to do the best I can here on the spot.

The VN do not like to be threatened, talked down to, nor pushed around. Furthermore it is not necessary. They can be influenced to do as we wish by showing sympathetic understanding of their particular problems, close friendly liaison and suggestions or recommendations made, sometimes many times over, in a straight forward man to man way.

I write you of this trend in the strictest confidence and for your eyes alone.[3]

Kindest personal regards,

S.T. Williams
Lt Gen, USA

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[3] In a letter to Stump of December 7 Williams detailed a number of incidents which he believed might indicate "the beginning of a change for the bettering of relations between the American and the Vietnamese official groups." In several of these incidents Williams depicted Ambassador Durbrow urging or ordering restraint in the behavior of members of the Mission. (Center of Military History, Williams Papers, Office Correspondence July–Dec. 1957)

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406. Telegram From the Secretary of State to the Embassy in Vietnam[1]

Washington, November 19, 1957—9:03 p.m.

935. Joint ICA–State. Ref Toica 584,[2] Embtel 902.[3]

1. Dept. and ICA have reviewed FY 1958 proposed Defense Support aid level of $175 million in light of comparative need of claimants against curtailed appropriations, considering pipelines and availability local resources, and believe this figure provides Viet-Nam equitable allocation on such basis. Vietnamese arguments against more than prorated global cutback 20 percent and for maintenance of aid level suggested reftels not convincing since they preclude consideration need. This connection such global Defense Support cutback

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[1] Source: Department of State, Central Files, 751G.5-MSP/10-2857. Secret. Drafted by Corcoran and Whittington and cleared by SEA, FE, U/MSA, and ICA.

[2] See footnote 2, Document 402.

[3] Document 402.

from amounts requested (excluding Spain whose level was fixed by Congress) is actually over 21 percent.

2. Prior to determination Viet-Nam DS aid level careful consideration was given to increasing it to $185 million from meager global reserves. FYI if strong case can be made later this fiscal year, however, possibility increase not precluded. End FYI. While we fully recognize difficulty involved in gaining ready acceptance by Vietnamese of more than pro rata cuts Dept does not consider that reftels make strong enough case to justify increase at this time on political grounds.

3. Pertinent to lower aid level is availability Development Loan Fund financing for which it hoped Viet-Nam can qualify by early presentation satisfactory projects. Also PL 480 if approved should provide additional assistance. Another relevant factor is proposed currency devaluation which if agreed upon soon enough might make FY 1958 aid level more adequately cover local currency budget support and other requirements.

4. We appreciate points in reftel but you will understand that our three biggest programs—Korea, Viet-Nam and Taiwan—are all in countries which are staunch friends of free world and since cut must be absorbed unfortunately these programs must bear their share.

5. Vietnamese last week presented "talking papers"[4] being pouched which sought (1) at least maintenance of 1957 levels of military aid (2) aid for Self Defense Corps of 60,000 (3) annual economic aid of $100 million. In responding to these and other overtures to maintain or increase aid levels it would seem timely for Embassy and USOM to endeavor again impress on GVN necessity of considering totality of VN resources including foreign aid in relation to total requirements rather than presenting series of additive aid requests to US. Point should be made that such approach should help protect value VN currency by curtailing budget deficit and other sources inflation and at same time provide basis for rational approach to Viet-Nam's sustained economic growth and eventual economic independence.

Dulles

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[4] None printed.

407. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State[1]

Saigon, November 25, 1957—7 p.m.

1122. Ref: Deptel 935.[2] On trip to visit refugee villages and road work with Diem 22d and in other recent conversations he has referred in strong but polite terms to his worries about substantial cuts in aid. He made strong point with Hardy Committee[3] he had to have military-security forces built up because of growing Communist threat. He has continued to stress with me need for more but not too expensive roads for both strategic and economic reasons. With Communists in Lao Govt he even more concerned about his security problem and fact he may be isolated as only fully free-world oriented govt this part of world.

He adds he has been carrying anti-Communist torch on various visits particularly in India where he also gave good plug for need for and defensive aspect of SEATO. He is using his revival Asian cultures theme as effective argument against materialistic atheism of Communism (which has considerable merit, in my opinion). Therefore he argues why is United States planning cut aid to VN same proportion as others and planning give loan to neutralist India. He points out neutralist countries will not think of changing their policies if it becomes clear that countries like VN which are tied to West do not get preferred treatment. I have argued not too successfully that with our curtailed resources we in his interests as well as ours, try help all countries not behind Curtain to maintain independence.

Diem is so preoccupied with military security problem due to increased internal subversion and Communist gains in nearby countries he shows little interest in basic economic development for moment. Therefore with substantial aid cut there will be little chance to induce him devote more resources to economic sector till he is assured sufficient funds maintain and build up military-security posture.

Since he is in this frame of mind I will endeavor to explain to Diem, before Haraldson leaves (ETD December 1) total aid picture along following lines.

1. Total new defense support money $175,000,000.
2. New technical assistance money $4,200,000.

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[1] Source: Department of State, Central Files, 751G.5-MSP/11-2557. Secret; Priority.

[2] *Supra.*

[3] Reference is to the Subcommittee on International Operations, chaired by Porter Hardy, Jr. (D.-Va.) The subcommittee was part of the House Committee on Government Operations.

3. We will also make available about 5 to 6 million dollars from previously unprogrammed pipeline funds—which makes an assured total of about $185,000,000.

4. Will tell him it may be possible to meet their request for $5,000,000 to $6,000,000 PL 480 money for tobacco (if this is to be approved as we understand, should appreciate firm instructions if possible by Nov 27 so we can proceed with negotiations).

5. Explain to Diem possibilities of development loan fund for such self-liquidating projects as Saigon thermal plant, Saigon water supply, Nong Son coal mine, etc., which if fully justified and approved could bring in 10–15 million dollars additional aid, making possible total figure close to $200,000,000.

6. Assure him through General Williams that MAAG approved military budget will permit GVN to carry on its military build up and training at same pace as last year.

7. Tell him we approve contribution for 43,500 Self Defense Corps. (This figure worked out by MAAG on basis study of needs to cover villages in sensitive areas not covered by other forces and funds are provided for this number in MAAG approved military budget—see CINCPAC message to OSD DTG 162305Z subject: Vietnam Self Defense Corps.[4]) This approval given on basis specific steps he must take to strengthen organizational, training and screening methods for SDC.

8. Explain global demands on reduced aid appropriations and underline necessity consider totality VN resources rather than presentation of series of additive aid requests.

9. Shall make it clear it essential despite Diem's criticisms of our procedures that GVN officials must cooperate with us fully to work out details of acceptable projects if he wishes receive additional aid above DS figure.

He will probably react rather strongly by pleading his "special" case and his full Western orientation, but I hope by presenting picture in this way we can convince him we are giving him special treatment as a staunch ally.

Detailed reply to reftel in subsequent message.[5]

Durbrow

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[4] See footnote 7, Document 403.

[5] In telegram 1124 from Saigon, November 26. (Department of State, Central Files, 751G.5-MSP/11-2657)

408. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State[1]

Saigon, November 30, 1957—7 p.m.

1161. As planned, General Williams, Barrows, Haraldson, Gen Carlson and I presented to Diem, and group his principal assistants, including Vice Pres and Chau, Vu Van Thai[2] FY 1958 aid level along line of Embtel 1122[3] using basic figures given first paras Embtel 1124.[4] Since we did not wish to raise any false hopes for additional aid under development loan fund, I did not use figure 10–15 million dollar additional aid as suggested I would do in para 5 Embtel 1122. Merely emphasized Vietnam could qualify for unspecified additional aid for self-liquidated projects provided they able submit soonest fully justified projects such as those suggested Embtel 1122. Re PL 480, stated we might be authorized start negots for tobacco, but I had not yet received instructions.

As expected Diem obviously disappointed. Pleaded during frank but friendly discussion his "special case" because deteriorating situation this part of the world and need to move forward as fast as possible in next few years to build up security and economic base. He, Chau and other experts stated would not be possible GVN provide as much as $41.6 million from own resources as contribution to military budget.[5] Emphasized national budget already presented to Assembly and being worked on now only provided for $20 million GVN contribution to the military budget, and that they had told us categorically in September mtg aid comite would be impossible contribute $37 million equivalent then proposed. If we insisted more than double contribution entire national budget would have to be reworked by the Assembly which they alleged would have very serious pol repercussions by giving impression to Deputies and people that government devoting too large amount to military instead of doing more for people and if it should be necessary at this date rework budget in Assembly inference would be drawn that this forced upon GVN by US. We argued our calculations indicated revenue from imports would be considerably higher than anticipated and this excess in all probability would be sufficient to cover additional GVN contribution to military budget. Diem argued while it might appear revenues higher than anticipated much of this comes from effort he making collect back taxes which gives only temporary increase and that with reduced imports through end this year, revenues would be lower. We replied if revenues not as high as we believe some addit revenue cld be derived from addit taxes on certain types semi-luxury articles whose prices here lower than world prices under present tax system. They replied, not possible raise taxes since entire business community now pleading present taxes causing deflationary movement and business stagnation and new taxes on these few semi-luxury articles would only cover very small portion of suggested GVN contribution. Altho Chau and Diem reiterated they were sure that receipts wld not be as high as we anticipated, they nevertheless agreed to study this question fully with USOM experts. We then argued that if receipts were not as high as we expected, it wld be necessary reduce economic aid proportionately to make up full difference for mil budget. Gen Williams assured Diem proposed mil budget is realistic and will permit GVN carry on its mil buildup and training at same pace as last year. Diem seemed satisfied with this assurance but obviously disappointed by small amount residue econ aid available. Diem and others, despite their belief that our procedures are too rigid and too slow, promised to work more closely with USOM experts in order work up careful justification for various econ projects. We stated it absolutely essential GVN show need for all econ assistance and take into consideration totality GVN resources. Chau pointed out draw-down of pipeline is not really new aid and that GVN hoped they cld draw-down much more from pipeline in 1958.

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[1] Source: Department of State, Central Files, 751G.5–MSP/11–3057. Secret. Repeated for information to Phnom Penh and Vientiane. Passed to CINCPAC PolAd.

[2] A memorandum of the conversation held on this occasion, dated November 29, is in Center of Military History, Williams Papers, Conversations with Diem 16 Sep 57–28 Dec 57.

[3] *Supra.*

[4] The figures were: Defense Support, $175 million; Technical Cooperation, $4.2 million; and drawdown of pipeline, $5.8 million; for a total of $185 million.

[5] According to telegram 1124 from Saigon, the final Vietnamese military budget was $171.6 million of which the United States would carry $130 and Vietnam $41.6 million. This left a balance of $55 million from U.S. aid for development purposes.

Diem asked me to call again this morning. In very calm and friendly but firm manner, he expressed his deep concern over the consequences of the reductions explained yesterday. Again he pled that it wld be most difficult, if not impossible, for GVN to contribute large amount suggested for mil budget. He reiterated that if small amount econ aid ($55 million) had to be further reduced to make up the balance for the mil budget, people wld get impression US only interested in mil posture Vietnam which he admitted he himself insisted upon, and people wld get impression that at this critical time when Commie subversion and Commie econ aid programs are being stepped up, that the US not interested in building up VN econ strength. He again referred as he had Nov 27 [*29?*] to possibility masses might begin clamoring for neutralist policy which wld permit reduction of mil forces in order to build up economy. Diem pointed out he, of course, could not accept such an attitude because of Commie strength in the north, which requires, in Vietnam as well as

US interests, ARVN be as strong as possible. Nevertheless, he fears it will be difficult to deal with this feeling in the masses. In his quiet, chastened mood, he urged me to explain again the pol aspects of his problem to Washington in the hope that further assistance can be given to Vietnam. I told him that it is still possible to obtain addit aid under development loan fund provided his experts can work closely with USOM and develop worthwhile fully justified projects. He replied this wld take much time and adverse reaction to the basic aid figure wld not be compensated for by later announcements of few projects under loan fund.

Diem said he was disappointed Chuong had not been more successful in inducing Dept to increase aid. I told him matters of this kind must of necessity be worked out in field where experts on both sides are present.

Comments: As matters now stand, it was tacitly agreed national aid comite (including USOM) wld discuss and study problem of available aid resources as between mil defense support and projects for technical and econ assistance program. This will involve GVN making decision whether it can arrange, through their budget, to make the contribution to mil budget we recommended (Diem and Chau emphasized this politically and financially not possible) or accept a further reduction in econ program to make up difference in GVN contribution. When this exercise is over, we may expect Diem to make further plea on pol importance make it clear to VN people, neutralists and Commies that those who work closely with Free World fare better than those that do not. In touching on this note today, he asked if aid to Cambodia for instance is being cut as much as VN. I told him I did not know, but was certain VN getting preferred treatment.

Durbrow

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409. Despatch From the Ambassador in Vietnam (Durbrow) to the Department of State[1]

No. 191 *Saigon, December 5, 1957.*

SUBJECT

Evaluation Report of Viet Nam: December 1957[2]

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[1] Source: Department of State, Central Files, 751G.00/12–557. Secret.

[2] In telegram 1243 from Saigon, December 12, Durbrow requested FE's reactions to this despatch. In telegram 1112 to Saigon, December 20, Young informed Durbrow

Continued

After returning with President Diem from his successful visit to the United States, during which he received well deserved praise for the "miracle" he had achieved in a fairly short time against great odds, I began to notice certain developments which in my opinion give grounds for considerable concern. Last Spring it had been hoped that the year 1957 in Viet Nam would be one of progress on a broader front than that of security and survival.

As the year wore on more signs appeared indicating a slowing down of momentum and a reluctance to take the obviously necessary decisions. It had been expected that with additional economic aid available for fiscal year 1957 the Government would move ahead at a fair pace to build up a more solid economic and social base. Little was accomplished in this field. Diem made it clear in the late summer that he was again primarily concerned with security matters. This concern, as we have reported, was due in part to increased terrorist acts, undoubtedly encouraged if not perpetrated by communists. Our concern was increased by more and more reports and rumors of adverse developments on other fronts. Nevertheless it was difficult to understand why he continued to delay taking certain steps we strongly urged and which he had the means to accomplish. We also began hearing more and more grumblings and expressions of discontent, which seemed to indicate that Diem was not increasing his prestige and appeal to the country.

These indications reached sufficient proportions to warrant, in my opinion, careful study and analysis. Diem himself has indirectly pointed out these problems, by stating to me and others on several occasions that while everyone in the United States seems to believe that he has performed a miracle in the past three years, they also seem to feel that all of Viet Nam's basic problems have been solved. He has pled with me to try to correct this erroneous impression since there are many problems ahead which may be more difficult than those in the past. It was for these reasons that I suggested to the Country Team that we work up a critical and I hope objective evaluation of the situation in Viet Nam today.

The attached paper is the result. While more emphasis is given to the unsolved problems, in an attempt to take the pulse of the country at this time, the paper should not be interpreted to mean that everything is coming apart and nothing constructive can be done. The basic thought I had in mind in asking for this analysis is that it is better to take a rather cold blooded look at the situation

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that the despatch was "being studied with great interest and has been brought to the attention of Robertson and Under Secretary." Department reactions would follow. (*Ibid.*, 751G.00/12–1257) here in order better to know and foresee the problems ahead than to hope for the best based on past performance.

Since the first draft was written several weeks ago increasing evidence has come to hand which seems to point to a concerted, stepped-up communist campaign to try to throw the regime off balance by terrorism and intimidation. Nevertheless, it is the consensus of most of the Country Team that Diem would be in a better position to bolster security if he paid more attention to questions other than security matters. If he takes some of the steps within his power to take, he should be able to increase his prestige and make a larger segment of the population loyal to him and his regime. By not doing this, he seems to be risking unpopularity with the people, which may play into communist hands. It is for these reasons that we recommend in the paper that we continue to press him to take what appear to us to be necessary steps for the good of his regime.

It is hoped that the frank discussions we had with him in connection with the aid levels of FY 1958, in which we urged him to work closer with us in getting several economic projects started, will cause him to move forward on the economic front.

While the other members of the Country Team concur in the substance and conclusions of the attached paper, General Williams, Chief MAAG, does not subscribe to the inference in the paper as he reads it that President Diem is failing in his task or is on his way to failure. General Williams believes that the present military posture of Viet Nam is not too strong and that any weakening in that field would jeopardize the mission of the Armed Forces. For this reason he does not believe that President Diem should be re-oriented from his present military policy. While I agree, as made clear in the paper, that under present circumstances we cannot reduce the military costs, I believe Diem can, with the resources at his disposal, move ahead simultaneously on other fronts. General Williams has been in Viet Nam for over two years, knows President Diem well and has his confidence. Furthermore General Williams and his fellow officers work very closely and harmoniously with the members of the Vietnamese Armed Forces and have confidence in them. Therefore, the attached paper should be read with the firm opinion of General Williams in mind.

In other words, the paper has been prepared to invite comment and criticism in the hope that all may arrive at a clearer understanding of the situation in Viet Nam and the problems ahead.[3]

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[3] Mr. Chapman prepared the initial draft of the paper and stayed with it until its completion. It was completely redrafted at least three times, with extensive editing and drafting contributions from myself, Mr. Bowie, Mr. Haraldson, as well as Mr. Barrows, who also prepared a lengthy guidance commentary during the early stages of the prep-

Continued

Because of the basically critical tone of the paper it has been classified secret. It is requested that its distribution be limited on a "need-to-know" basis to the Department of State and Defense, the ICA and CIA.

Action requested: Department please send copies of this despatch and its attachment to PolAd CINCPAC, AmEmbassies Phnom Penh, Vientiane, AmConsul Hue, and six copies returned to AmEmbassy Saigon, also AmEmbassy Paris.

Elbridge Durbrow

[Enclosure]

EVALUATION OF SITUATION IN VIET NAM: DECEMBER 1957

Summary

Certain problems now discernible have given us a warning which, if disregarded, might lead to a deteriorating situation in Viet Nam within a few years.

Diem achieved notable successes in the first two years of his regime and remains the only man of stature so far in evidence to guide this country. He has unified free Viet Nam, brought it relative security and stability, and firmly maintains a pro-West, anti-communist position.

In the last year, however, Diem has avoided making decisions required to build the economic and social foundations necessary to secure Viet Nam's future independence and strength. He has made it clear that he would give first priority to the build-up of his armed forces regardless of the country's requirements for economic and social development. Events abroad which increase the danger of communist infiltration and subversion, and which threaten Viet Nam with possible isolation in this area have contributed to his concern and to his determination to strengthen his armed forces.

Certain characteristics of Diem—his suspiciousness and authoritarianism—have also reduced the Government's limited administrative capabilities. He assumes responsibility for the smallest details of Government and grants his Ministers little real authority.

At the same time, discontent is felt in different segments of the population for varied reasons. The base of the regime's popular sup-

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aration of the report. General Williams presented his own oral and written comments during Country Team discussions. His position has been set forth earlier. Concurrence, comments and contributions were received from the Army, Navy, and Air Attaches . . . and the PAO. [Footnote in the source text.]

port remains narrow. The regime might overcome such discontent and finally win over the loyalty of a majority of Vietnamese both in the North and South if it could show its ability to give the country stronger protection and create sound economic and social bases for progress. Progress, which is demanded in Viet Nam as throughout Asia, is perhaps the touchstone of the regime's enduring viability. Yet precisely because Diem is now procrastinating in making decisions affecting fundamental problems of his country's development, the lag between the people's expectations and the Government's ability to show results will grow.

We consider it therefore of importance that we bring strong pressure on the President to reach certain decisions basically in the economic and social fields which have been before him for some months but on which he has not acted. He has resented this and may resent it more, but in ours and his long range interests we must do our utmost to cause him to move forward in these fields.

The purpose of this evaluation of the present situation in Viet Nam is to examine the elements giving rise to some concern regarding certain developments in Viet Nam, to provide the Department and interested agencies salient background and to set forth conclusions and recommend certain broad courses of action. We feel that a frank discussion of the solution as we see it may be helpful to all concerned.

Elements of Strength

Although this despatch emphasizes our concern regarding certain trends, we should set forth the existing elements of undoubted strength in the situation in Viet Nam, in order to give this presentation proper balance. These are outlined below.

Diem remains the unqualified leader of Viet Nam and the only man of stature so far in evidence to preside over his country's destiny. He is a man of unimpeachable honesty and real courage. None of the so-called opposition leaders, such as Dr. Phan Quang Dan of the Democratic Bloc, have yet proven to have the quality of statesmen. Neither is there another strong personality now discernible in the Government or among the senior officers of the Armed Forces. Diem furthermore has undoubtedly led South Viet Nam, with considerable economic aid and political support from the U.S., to a unity that few observers could have expected in the bleak days of July 1954. He has given the country a much needed stability—an essential condition for any future development—which has already permitted the repairing of much of the physical destruction of the period of military operations and a return to more nearly normal peace-time activities.

With the support and guidance of MAAG, the army has made great progress. It was the instrument that permitted Diem to pacify the country and is now considered able to fulfill the mission of maintaining internal security. It has also reached a degree of combat-worthiness which provides a certain deterrent to external aggression. This force insures the stability of the regime and thus provides a basic condition for Viet Nam's economic and social development.

During the past year Viet Nam has made commendable progress in improving its public finances. An Executive budget was prepared for presentation to an extraordinary meeting of the National Assembly. After a study by appropriate committees of the Assembly and debate it was voted, along with a substantial increase in taxes recommended by the Ministry of Finance on the advice of USOM. Administration of the budget was also improved, with the result that certain hidden deficits arising during 1955 and 1956 from expenditures of provincial and regional authorities were eliminated. Throughout this year Government revenues have exceeded expenditures. During the same period payments into the counterpart fund exceeded counterpart disbursements. These are the principal sources of the deflation which has replaced inflation in the Vietnamese economy during the past year. In the face of the fact that throughout the world, not excluding many other countries which benefit substantially from American aid, inflation remains a threat to political stability and an obstacle to economic development, eliminating inflation in Viet Nam during the past year has been no small accomplishment.

Finally, Diem is committed to an anti-communist policy and recognizes that he owes his survival to the free world with which he wishes to remain associated. His position on this subject has been shown in various ways. In the last two months, for instance, he has undertaken to call publicly on his fellow Asians to revive their ancient cultures and to combat the imported atheistic materialist teachings of communism. He has made this a central theme of his speeches both domestically and abroad—in Thailand, in Korea and in India. Thus, South Viet Nam is one Asian country that has clearly staked its future to an anti-communist, pro-West policy.

Our First Concern

However, after attaining notable, if not miraculous, successes in the political and internal security fields during the first two years of his regime, he has, for all practical purposes, lost much of the past year by failing to decide on steps he should take to build up the economic foundations of his country. In the last few weeks he has stated quite categorically that the building of these foundations is definitely secondary to the further build-up of strong and effective security and military forces and to the successful establishment of settlements of loyal citizens near the Cambodian frontier and in the High Plateau. This decision shows, in our opinion, a lack of full perception of the inter-relationship between military security and economic progress in safeguarding this country's long range future. It is this lack of understanding and the somewhat distorted approach that results from it, that arouses our primary concern.

The possibility of substantial reductions of U.S. aid in the future has also caused Diem to hesitate further to take steps outside the purely security field. It may also cause him to take decisions whose wisdom we doubt, or which may not be in our best interests. We believe that a decision to allocate aid and other revenue to military forces without taking into account, at this particular juncture in Viet Nam's development, the requirements of long-range economic progress would be ignoring the need to counteract present sources of discontent and meet future internal stresses of the regime.

President's Shortcomings

The Government's administrative incapacity adds to the difficulties we have in carrying forward our programs. Administrative incapacity, while natural in a new country, is in part a consequence of the President's character. He overrides most of his Ministers, reduces their authority and assumes personal responsibility for the smallest details of government. He is inclined to be suspicious of others; he lacks an understanding of basic economic principles; and seems absorbed in pet ideas and schemes which detract from work on other urgent questions. For example, he has become absorbed, with considerable reason, with Viet Minh infiltration across his frontier with Cambodia and Laos. He believes this problem can be solved basically by the creation of settlements in the frontier areas and the construction of roads particularly in the highlands. Meanwhile, there are left pending such fundamental questions as seeing through the program of agrarian reform, laying the foundations for industrial development, monetary reform, building up an administrative and technical base needed if only to implement our aid programs.

Diem has not won too much enthusiasm or whole-hearted backing of his people. He is admired and respected for his honesty of purposes and devotion to the national cause, but criticized for what many consider to be his lack of understanding of the country's aspirations. While he honestly advocates democracy and probably equally honestly considers himself a democrat, basically he remains a mandarin with the autocratic attitude of "I know best," a good trait at the present stage of development of a new country, provided it does not lead to a sterilizing inflexibility. This characteristic, together with his family's unpopularity and his Ministers' awe of him, has brought him to a growing solitude, where many problems become theoretical and lose to a certain extent their practical realities.

Diem's personal shortcomings outside the politico-military field were obvious during the earlier phase of this government's existence. Now, however, they constitute a particular barrier to further sound development and hamper day-to-day working relationships with Vietnamese officials. This factor must be taken into account in planning our activities here and assessing their effectiveness.

Complications Abroad

While Diem hesitates and delays on these internal problems, disturbing events abroad cause him, with reason, additional concern. Events in each of the countries of Laos, Cambodia, Indonesia, Thailand, and Burma, all contribute to Diem's concern.

The events in Thailand in particular may also affect the attitudes of many thinking Vietnamese. From here it appears that the elections of December may well bring about an Assembly and perhaps a Government in which left wingers carry a large influence. Such a development might eventually lead the Thai Government to reconsider its formerly close links with the U.S. and adopt policies more favorable to Communist China. If Thailand adopted a softer policy toward communism and Laos comes under effective Pathet Lao control, and while Malaya's position remains undefined, Viet Nam would be left as possibly the only firm pro-West anti-communist nation on Mainland SEA. The realization by thinking people in this country of being in such an exposed position may well tend to strengthen much of the existing discontent in Viet Nam. As indicated above, recent developments in Laos have also added to the apprehensions of Vietnamese Government officials, who fear stepped-up communist activities along the entire western border and a more or less complete isolation of Viet Nam in this part of the world.

Sources of Discontent

There is as yet no serious reason for concern for the stability of the regime. However, there is a growing underlying discontent. It exists in various groups and arises from several causes. The principal sources of discontent appear to be: an original economic and social dislocation ensuing from war and the problems brought about by the assumption of independence; failure to fulfill the sometimes unrealistic demand for progress; persistent and increasing lack of security in many areas over the past six months, particularly in the South and Southwest; a lack of vitality in the political parties; Diem's resentment at even mild opposition; the regime's rigidity and certain lack of tolerance which alienates a large proportion of the intellectuals; and the ineffective bureaucracy, which has dampened enthusiasm for the regime, particularly among the youth.

Finally, from time to time there are manifestations of some resentment, as must inevitably arise, that Viet Nam is so completely dependent on foreign aid. While most of these sources of discontent are all inherent in any new regime taking over from repressive colonialism, Diem appears to ignore them a bit too readily for the long-range growth of this country.

Political Parties

The President speaks freely of carrying out a revolution in Viet Nam by which he means a basic reshaping of institutions and traditions to create a democratic, nationalist society which will guard the individual's dignity and rights as its highest values. Earlier in his march toward power, Diem created political and other organisms to carry out this "revolution," i.e., the National Revolutionary Movement, the League of Revolutionary Civil Servants, etc. However, since approximately October 1956, when the constitution was proclaimed, the President and those around him have apparently lost interest in these mechanisms which they have allowed to drift into the hands of second-rate leaders and which have consequently lost much of their original appeal. In the meantime, through the semi-covert Workers' Party and other instruments directed largely by the President's brother and political advisor, Ngo Dinh Nhu, almost all political, social welfare, journalistic, cultural, and other public activities have been brought under substantial control of a covert nature.[4] Aside from the various religious organizations and such innocuous international groups as the Boy Scouts and the Red Cross, almost all public organizations and means of public expression in Viet Nam are dominated or covertly manipulated by the regime. This fact is generally known to the educated public and generally resented.

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[4] The reference is to the Can Lao Nhan Yi Dang and affiliated parties organized on a secret basis throughout the civil and military services in Vietnam. The party was formed in 1953 under a different name by Diem's brother, Ngo Dinh Nhu, and five other Vietnamese political thinkers. It soon came increasingly under the control of Nhu. According to his memoirs, Lansdale opposed the methods and purpose of the party and told Diem so. Lansdale argued that a clandestine political organization controlled by Nhu and with its own secret police would force legitimate nationalist parties underground. Lansdale took his concerns to then Ambassador Reinhardt who informed him that a U.S. policy decision had been made to assist in building the Can Lao party. Lansdale returned to Washington, according to his memoirs, to argue his case, and had a private session there with John Foster and Allen Dulles in early 1956. Lansdale was not successful. During his remaining year in Vietnam, Lansdale attempted to persuade Diem of the necessity for a free and loyal opposition, but his efforts, he states, were in vain. See Lansdale, *In the Midst of Wars,* pp. 339–345.

In a memorandum from Lansdale to the Secretary of Defense, undated, in which he reported on a trip he had made to Vietnam in January 1961, Lansdale recounted that Durbrow "seemed genuinely surprised" when informed that the Can Lao party "was originally promoted by the U.S. State Department and was largely the brainchild of a highly respected senior Foreign Service professional." See *United States–Vietnam Relations, 1945–1967,* Book II, p. 9.

Mr. and Mrs. Ngo Dinh Nhu

As a result of this resentment and the gossip engendered by Nhu's covert activities, Mr. Nhu and his wife have been increasingly built up into legendary eminences grises to whom are attributed insatiable greed for power and wealth and unscrupulous connivance to achieve them. The larger part of these rumors is believed by the Embassy to be the product of overheated and resentful imaginations. However, this unhealthy situation contributes to the general disgruntlement, and together with the apparent lack of interest by the President in his own political parties, is perhaps responsible for a considerable part of the weakening of support for the regime among the so-called elite groups.

Narrow Base of Genuine Support

Reflecting the President's own suspiciousness and somewhat narrow point of view, the regime employs generally only those whose support meets very restrictive and personal criteria of loyalty. Therefore, the services of many able persons are lost. Furthermore, many intellectuals, professionals and particularly those students remaining abroad, also are unwilling to serve the regime. Those who do take part in the work of the Government are frequently discontented and discouraged. Many high officials do little to hide their resentment of Diem's somewhat autocratic attitude. Part of the difficulty of these groups lies in the fact that in many instances there is little scope for their abilities outside the Government.

Business Community

The regime is also somewhat distrustful of the business community. There is a tendency to consider businessmen, in accordance with ancient Vietnamese social values, as belonging to one of the lower classes of society. Such an attitude in the Government hardly breeds confidence. Likewise, in general, the regime distrusts the foreigners' influence on the economy. It has sought, for understandable reasons, to bring the Chinese community under its control and has generally discouraged French interests from investing in Viet Nam. Examples of the latter are found in specific cases, where construction of a glass factory, a sugar refinery and the expansion of certain rubber plantations were in question. The result has been a loss to the economy and the discouragement of forces which might have promoted its progress, without, in the meantime, being able to find other forces which could effectively take steps to make progress in the economic field.

Peasants

It is difficult to gauge the mood of the peasantry and dangerous to generalize in view of the wide difference between Central and South Viet Nam. Nevertheless, there undoubtedly remain areas, particularly in the West and South, where peasants still, basically through ignorance, fear or persuasion, support enemies of the central government. In these areas the Viet Minh were active during the war and created zones of insecurity where landlords could not go. Because the communists were the stronger, the peasants went along with them and because the landlords could not enforce their rights, the peasants ceased paying rents on their lands. Although the Government has succeeded in reestablishing its authority in most areas, there are certain areas which are out of reach and where Viet Minh agents and dissident elements can and do continue to carry on their activities. By habit and by a basic desire of being left in peace and avoiding trouble, the peasantry has generally not sought to oppose the rebel elements but have gone, or have been forced to go, along with them where the Government has not been clearly master. At the moment, however, the GVN military forces are in the process of conducting a fairly large-scale anti-dissident sweep in the Delta region which may help to increase the standing and prestige of the Government in that area.

Control of Travel Abroad

The problem of travel abroad of Vietnamese illustrates the complications arising from Diem's outlook. Viet Nam needs trained personnel. There are numerous Vietnamese abroad, mostly in France, who have completed their studies but who show great reluctance in returning to Viet Nam. This reluctance no doubt stems in part from the fact that a trained person can obtain greater economic advantages in the developed countries than in Viet Nam. There is also the fact that travel by Vietnamese out of Viet Nam is tightly controlled by the President himself. He has recently been most reluctant to permit many young Vietnamese civilians to go abroad to study, even with scholarships or training grants. (This does not apply to military personnel going to study in the U.S.) He fears that those who study in France, for example, will become contaminated by the communists or become French agents. This policy hinders the training of Vietnamese in fields not offered in this country. It also discourages Vietnamese abroad from returning to Viet Nam even for a visit, to see how things are going and perhaps settle here again, because they fear they will not be allowed the choice of leaving again. This is an example of the "stifling atmosphere" of which certain intellectuals in Viet Nam complain.

Very recently, however, after considerable pressure from the Embassy, there appears to have been a certain relaxation in granting permission to go abroad, as Diem has authorized the departure of a number of USOM-sponsored trainees.

Expression of Discontent

An indication of the educated classes' discontent was the popularity of the opposition newspaper *Thoi Luan*. It had no particular intrinsic merit, but it did criticize the Government, albeit carefully. And it was therefore read. One of the issues over which government and opposition tilted lances was the sentences imposed on the leaders of the Binh Xuyen sect. The word amnesty was not used; yet, this was the issue. Relatively improved internal security and consolidation of the authority of the regime have not resulted in any appreciable political reconciliation with non-communist opponents. Jails and camps are reportedly still filled with hundreds of Diem's opponents. It has come to my attention that Diem's personal advisors urged him to make a gesture in his Independence Day speech calling, in effect, for such a reconciliation and urging all disaffected groups to rally to the Government. Diem did not take this advice.

Asia's Stirring

Perhaps a more aggravating phenomenon than all these causes, is the stirring felt thoughout Viet Nam as throughout Asia—the demand of the people to make up for time lost and catch up with the West in material power and development. There will continue to be an inevitable lag between expectations and actual accomplishments which will serve to feed all other causes of discontent. This lag, furthermore, will be greater and more keenly felt if Diem's administration continues to prove needlessly slow in making decisions which will enable the economy to develop and which will give the people a sense of progress.

Consequences of Discontent

The causes of discontent mentioned above are at work among important segments of people. Unless there is appreciable progress in the near future, the dissatisfaction may manifest itself by a growing disbelief that Western aid can solve Asian problems; greater opposition to the present regime; increased receptivity to blandishments from the North (about which Diem seems to be more and more sensitive); strengthening the belief, already held by some, in the myth of Asia for Asians (and within this myth the Chinese Communists are considered first of all Asians), and a consequent penchant toward neutralism despite the orientation of the regime itself. The President's brother, Nhu, stated recently that there is a growing desire for neutralism among some intellectuals. They apparently believe that Diem has counted too much on American aid and support, and fear it may be suddenly cut off in the not too distant future.

Diem's Commitment to an Anti-Communist Policy

While growing discontent might bring demands from some intellectuals and other groups for dissociating Viet Nam from too close bonds with the West and for some accommodations with the communist world, I believe Diem's regime would be unable to accommodate itself with such a trend, since he seems so firmly committed to anti-communism. He could be more Asiatic and less pro-West, but his position, we believe, is based on anti-communist policies. This means he has less flexibility for political maneuvering than most SEA countries. Such rigidity might further widen the gulf between the government and the people and create an unstable situation. This could conceivably in the long run cause his downfall.

Diem's Reaction

Diem realizes the existence of discontent although perhaps not the full extent or nature of it. While until recently he had given himself five years to achieve substantial results to satisfy the demand of his people for progress, he now considers that he must show some results within a more limited time. (He has mentioned a year and a half to three years.) He is worried about the reduction of American aid and the consequent limitations on the scope of his actions. He is seriously worried with considerable reason by the possibilities of Viet Minh infiltration through Laos and Cambodia and has plugged for full U.S. support of a 60,000-man Self-Defense Corps and at times of a 170,000-man Army, even to the detriment of creating a firmer economic base—(although in part this may have been a play to forestall too deep cuts in our 1958 aid program). He is worried concerning the possible failure of his settlements program in the High Plateau which he thought up himself and has pushed through in a fairly heavy-handed manner without much regard to the ability of his administrators or the resources at their disposal. (Such a failure would constitute a serious blow to his pride since it would be his first and would leave the problem of the security of the highlands unsolved.) He also feels under pressure from the Viet Minh, Indians, and even from segments of the population in South Viet Nam to expand within the next two years communications between North and South Viet Nam. These seem to be the reasons why he feels pressed to get his house in order primarily from a military-security point of view, so that he can, at long last, be in a position to prevent large-scale and effective communist infiltration and control any situation which may develop when he is obliged to open up greater intercourse between North and

South. Because of the pressure to permit some exchange of divided families, his brother Nhu has told me they are considering a limited and controlled exchange of persons in the near future. There are also signs which may indicate that he wants his military-security forces built up in order to control any possible development of strong dissident elements other than communists.

U.S. Relations with Diem

Ambassador Reinhardt and I have been fortunate to have been here when Diem, through his astute understanding of the problems of Viet Nam and, to a large extent, of those of Southeast Asia as well, has made remarkable progress to the definite benefit of the Free World. We have had little need, up to now, to bring much pressure on him or "cross" him in regard to his policies. It appears probable, however, that more pressure may become necessary in the future. On some important issues, despite our advice to the contrary, he has proven to be right, a fact which tends to make him even more sure of himself. Therefore, he will not take direct advice easily.

We have, with good reason, encouraged him to assume a more important role as a Free World leader in Asia. He likes the role. As a matter of fact, he has given indications that the real or organized enthusiasm shown him on his visits may have gone to his head. He is beginning to look upon himself a bit too pointedly as the great hope of Southeast Asia. He has a sound perception of communist tactics and their effect in Asian countries, and enjoys his role of trying to explain them to Asians. However, in the process which absorbs much of his time, he apparently finds another excuse to postpone some essential decisions regarding his own country.

It is interesting to recall his earnest advice about Syngman Rhee to the effect that he is isolated by his advisors from the real facts of the internal situation in Korea, and that we should therefore pass the word along to friendly Ambassadors to see Rhee more often and talk to him frankly about internal developments. Diem faces the same problem but apparently does not realize it. Mr. Barrows, General Williams and I have had too often to persuade him to do or not do certain things, although we already had the concurrence of one of his Ministers in our suggested action. Since the Ministers do not always have the courage to tell him, we perhaps may have to do this to a greater extent in the future.

Proposed Courses of Action

To deal with these fundamental problems effectively and protect our interests, it would seem important in broad outline that:

1. On the internal front, we persuade the GVN to arrive at a number of decisions which have already been before them for some

time and for many of which U.S. aid money is already available, so that the economic and social development of the country can be given an effective impulse forward and carry with it the hopes of the people, rather than let him follow too blindly his current trend of placing more and more emphasis on building his military-security strength. This is perhaps our most essential task. Yet it must be recognized that outside influence will not be conclusive and may not be too effective. While we have so far not been too successful in influencing Diem, nevertheless, we have found by experience that, on occasions, Diem will take up, as his own, ideas which we had planted earlier and, in certain specific cases (the Cai San project, Saigon–Bien Hoa highway, the construction of Route 21 instead of 19, etc.), he has acceded to our viewpoint. The GVN will continue to make its own decisions but we need to seek constantly for ways to make our influence more effective, even at the possible risk of temporarily antagonizing Diem to a certain extent. We shall, therefore, from time to time suggest for the Department's consideration certain specific courses of action to be followed in our relations with Diem. For instance, at present, we are considering courses to deal with such pending questions as: the Civil Guard; the effectiveness of the Self-Defense Corps; the settlements program; the Medical Center; and various industrial projects.

2. On the external front, as we see it, stabilization and progress within Viet Nam itself is perhaps the most important contribution this country can make toward encouraging other countries in this area to protect their independence, resist communist blandishments and perhaps eventually pursue a Western-oriented policy. The mere creation of a strong military force will not of itself, as he now seems to feel, contribute to the ends we desire—namely, a fairly stable government friendly to the Free World and eventually economically independent.

Generally, we should encourage Viet Nam to pursue its policy of strengthening its position through active participation in international meetings and organizations—such as the Colombo Plan—through the maintenance and development of cordial relations with countries in the Free World and through broad exchanges with these countries.

Specifically, we should continue to seek to improve relations between Viet Nam and her immediate neighbors, Cambodia and Laos (provided Laos does not fall under Pathet Lao control). If we are successful in erecting a strong and progressive Viet Nam, this country can act with greater confidence toward the other two weaker states and eventually perhaps serve as the anchor state in the sub-peninsula, countering the drift of the area toward Communist China.

3. In sum, our most immediate and essential task here is, I believe, to continue to strive to influence Diem and his regime to make

sound decisions as soon as possible and move forward on a balanced broad economic, social and military program so that disillusionment with the regime may be minimized, hope in the future engendered, and Viet Nam retained as a positive example in Asia that a free, independent Asian nation, firmly allied to the West and opposed to communism, can succeed and prosper. In view, however, of current leftist trends in Thailand, Laos and Cambodia it may be more difficult to attain these desirable ends as soon as we hope. It may be necessary, because of increased communist threats and subversion to go along, to a greater extent than otherwise would be the case, with Diem's desire to strengthen his military-security posture, provided he does not neglect almost entirely necessary economic and social developments.

In view of Diem's reaction to the cut in aid levels for 1958 and the stepped up communist threat internally and externally, our most immediate task would appear to be to bring fairly strong pressure on him to take immediate decisions on those economic projects already waiting implementation. In our presentation of the aid levels for 1958, we stressed most firmly the urgent need to do just this. Diem and the others present agreed to work more closely with USOM to implement approved projects. If it is clear after careful study that the GVN cannot carry from its own resources the suggested increased contribution to the military budget, it would appear that we should try to make up for the loss in economic assistance by a PL 480 contribution and assist the GVN to work up acceptable projects for Development Loan funds. If this can be achieved part of the time lost during the past year in the economic field can be made up and a start made in building the economic infrastructure of the country. Under present circumstances of increased communist subversion and economic threat, there does not appear to be any possibility, at this time, to reduce the cost of the military-security forces. However, with the means already available and those foreseeable, we must use every means to start the creation of a solid economic base.

410. Telegram From the Ambassador in Vietnam (Durbrow) to the Department of State[1]

Saigon, December 12, 1957—6 p.m.

1245. Reference: Deptel 1031.[2]

1. It will not be easy for GVN contribute VN $1,457 million to 1958 military budget and perhaps impossible without imposition additional taxes. While Embassy–USOM convinced imposition additional taxes selected imported consumption [*consumer*] goods desirable both as source additional revenue and as means reducing consumption these items, also recognize GVN strongly opposed such action.

2. On the other hand we are convinced GVN can contribute more than VN $900 million and will certainly accumulate more than that amount in counterpart fund derived from customs receipts. Nevertheless, GVN persists asserting it cannot go beyond VN $900 million and thus far has not engaged in any serious discussion this matter. GVN disagreed with USOM estimates presented at national aid committee meeting September 27, but has offered no real evidence in support of its view.

3. Unfortunately, GVN also included VN $900 million figure in formal budget presentation National Assembly in face our warnings about probable aid cut and USOM analysis probable total government revenues. Since presidential meeting reported Embtel 1161[3] only USOM–GVN discussions budget which might have considered the possible contribution to military budget occurred last week in working group where GVN only presented some long-range forecasts and discussed probable trend GNP, but current revenues, current expenses and real prospects for 1958 not discussed.

4. USOM–Embassy position is that GVN can contribute VN $1,300 million discussed at aid committee meeting September 27 and has possibility reaching the VN $1,457 million figure even without new taxes. (Increased contribution of VN $4,967 million in the budget that we asked GVN to contribute was caused by C/T acceptance of GVN–DOD reclaimer asking for these additional sums above original MAAG-approved military budget.) Basis for this opinion (which can be explained in detail by Haraldson now on consultation Washington) in summary follows:

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[1] Source: Department of State, Central Files, 751G.5–MSP/12–1257. Secret; Priority. Passed to ICA and the Department of Defense.

[2] In this telegram, December 6, the Department of State requested from the Embassy information on the status of USOM/Government of Vietnam budget discussions, on the Embassy's best estimate of how much the Government of Vietnam could contribute to the 1958 military budget, and on its views and arguments in support of a 43,500 as opposed to a 60,000-man SDC. (*Ibid.*, 751G.5–MSP/11–3057)

[3] Document 408.

a. Since imposition production tax, March 1957, government revenues have been exceeding expenses; yield taxes has exceeded estimates. GVN 1957 budget estimate production tax yield of VN $150 million per month. Seven months taxes in effect by VN $550 million. This is principal factor underlying USOM estimate that GVN will be able make VN $900 million contribution to 1957 budget and still record VN $400 million surplus above civilian expenses.

b. While some imports clearing customs 1958 will be somewhat below 1957, higher tax rates will be in effect twelve months instead nine. It thus seems reasonable believe that if 1957 ordinary receipts exceed civilian expenditures by VN $1,300 million, budget can make at least as good showing in 1958.

5. Problem can be approached other ways. Example: Throughout 1956 and thus far in 1957 GVN deposits customs receipts (not including receipts from production, perequation [?] taxes) in counterpart fund have been running at rate of about VN $100 million per month. Thus far that portion these funds in excess of so-called GVN contribution to military budget have remained in counterpart fund. USOM has never released such deposits for any purpose other than support military budget and presumably could not do so without specific Washington approval. Thus, from customs duties alone, to say nothing of other taxes levied upon aid-financed imports, GVN will derive more revenue than VN $900 million proposed contribution to military budget.

6. Another approach: Aid-financing commercial imports now yield average VN $50 per dollar of imports (VN $35 in exchange, VN $15 in customs duties and tariff). VN $50 x US $130 million (the amount of the 1958 aid identified as military budget support) equals VN $6,500 million, or more than enough to cover MAAG approved military budget, including both US contribution and so-called VN contribution. In effect GVN has fallen into habit relying on part of proceeds aid given for military budget, but also a substantial portion its civilian budget. Fact that Vietnamese have suddenly been made aware this extreme dependence on US merely adds to our difficulties, and does not make it easier for them accept calculations we have made.

7. In circumstances believe it best that GVN be encouraged accept allocation recommended military contribution. If, during next few months it becomes clear GVN cannot contribute as much as we have proposed without serious economic consequences, we recommend additional aid be considered. As a last recourse and as means persuading GVN accept our proposal, recommend that further drawdown counterpart pipeline beyond US $5,800,000 already recommended be considered, and that we be authorized agree with them that an additional contribution from this source will be made if in

the course of VN fiscal year government revenues from import duties and taxes do not attain the levels we have foreseen.

8. Following are country team views re Self-Defense Corps figure 43,500: total 43,500 based on detailed MAAG staff study (para 7 Embtel 1122[4]). MAAG and country team consider SDC units should be located in villages and towns along Laos–Vietnam and Cambodia–Vietnam borders, in other remote villages along possible avenues of approach in pacified but still vulnerable areas not protected by static units. SDC units should be provided only for villages 5,000 or less. Size of units should vary according population villages, remoteness, other security forces and security requirements. Figure was calculated as follows:

1541 villages under 1000 population 10 each—15,410
359 villages under 2000 population 15 each—5,385
334 villages under 5000 population 15 each—5,010
623 villages under 5000 population 25 each—15,575 (greater need due dangerous location)
Overhead—2,120

Total—43,500

Strength of Self-Defense Corps has never reached 60,000 authorized maximum. During months December 56 through March 57 Self-Defense Corps was 58,300. Since that time it has been gradually current 49,500. Apparently GVN wants US provide 60,000 for CY 58 regardless actual strength Self-Defense Corps. Total 43,500 based on detailed MAAG staff study and is total force for which US contribution recommended although GVN states they need and will develop total force 60,000. The specific steps to be taken by GVN mentioned in para 7 Embtel 1122 were given to DOD in writing [5] two days prior to my November 29 meeting with Diem and were mentioned at that time. These are (in addition to MAAG and country team consideration re SDC units mentioned above):

Since considerable sum in military budget is allocated for SDC and since these funds are derived from US contribution toward defense support, MAAG reps will be responsible for advising GVN re operations and administrative problems SDC during coming year. GVN if requested will provide US Government information showing disposition US funds involved in support SDC. Support for SDC for CY 1958 will be provided subject GVN agreement that following objectives pursued by all available means:

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[4] Document 407.

[5] This letter was sent to the Ministry of Defense by the MAAG on November 26, and transmitted to CINCPAC in MAGCH 6764, November 29 (290201Z). (Center of Military History, Williams Papers, TWXs 1957 (14))

a. The Self-Defense Corps itself should be organized under a clearly defined chain of command.

b. Self-Defense Corps should be properly trained to protect villages from banditry and Communist subversion.

c. Any Self-Defense Corps members who are Viet Cong agents will be weeded out.

d. Recruitment into the Self-Defense Corps should be carried out with stricter measures to verify the loyalty and patriotism of recruits, such as a more effective nationwide finger-printing system, investigation of records in other provinces or bureaus, as well as neighborhood checks, or other investigations where information could be found.

Comment: We had thought GVN had given up hope of getting anywhere by Washington end-runs (last para Embtel 1212[6]). I suggest Dept make it clear to VN Ambassador that whatever part of above material is used was supplied by US and reiterate that these matters should be discussed by experts in Saigon. Prior to our discussion on Nov 24 and subsequently the principal theme we have been emphasizing is that GVN and USOM experts must work closely together in order to get full data on needs and be in position to justify their requests and projects. As long as they think end-runs are possible they will not get down to cases with us here.

Durbrow

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[6] The last paragraph of this telegram, December 7, reads as follows:

"*Comment:* During past week Vice President and other GVN officials at meetings with USOM experts were much more cooperative than in the past two months. In order to encourage them and also Diem continue realistic approach to problems would be most helpful if Department could authorize us soonest to start negotiations for PL 480 loan." (Department of State, Central Files, 751G.11/12–757)

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411. Memorandum of a Conversation Between the President of the Republic of Vietnam (Diem) and the Chief of the Military Assistance Advisory Group in Vietnam (Williams), Saigon, December 20, 1957[1]

1. Following the Kontum–Mo Duc Road Project meeting at the palace 20 Dec 57, which many people attended the President asked

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[1] Source: Center of Military History, Williams Papers, Conversations with Diem 16 Sep 57–28 Dec 57. Secret. Drafter not indicated. The source text is an attachment to a letter dated December 23 from Williams to Stump marked "Personal and Confidential", which reads as follows: "I feel much of the attached should be for your eyes alone. The underlined part of paragraph 9 [printed here as italics] has been reported to

Continued

Gen Williams to remain after the others had departed for a private talk. All the others departed and the conversation started at 1010. Lt Col Foster acted as interpreter.

2. The President started by referring to their visit the previous day (18–19 Dec) to Ban Me Thuot area. That from a map, you can see that the resettlement centers are each a nucleus of security. That at Pleiku and Kontum the centers are more remote and are near the border of Laos. That these centers near Laos are located in very fertile soil and therefore US *civilian* advisors did not raise the usual objections.

3. He said that what we had seen in the resettlement centers had taken 6 months to achieve. That it wasn't something improvised. That Mr Durbrow had suspected it was improvised. But that it was the result of 6 months work. That he (the President) had profited from the advice of VN and French experts who had studied the problem for years. That there were *some* sincere and honest Frenchmen who had studied it for a long time.

4. He said that after dinner at Ban Me Thuot the representative of the French embassy, M. Wintrebert, had spoken with the President, Mr Durbrow and Mr. Parkes (British Ambassador) about the strategic importance of the High Plateau. That M. Wintrebert said exactly the same thing the President has been saying. That M. Wintrebert told them that if the 17th parallel, Pleiku and Kontum were lost, there would be no need to try to hold Ban Me Thuot because the whole central country would be lost. That the first line of defense should be the mountain passes between city of Vinh and Laos, but that this line is outside VN territory. That the second best defense line is Savannaket–Dong Hoi (Highway 9), but it is too near the 17th parallel and is too flat to offer a natural defensive position. That as a consequence, the best defensive line for VN is the line Kontum–Plateau of Boloven–Pak Se, which runs through very rough terrain and offers excellent natural obstacles. Gen Williams agreed.

5. The President said Mr Durbrow was very much impressed to hear this from a Frenchman. That M. Wintrebert had said this without any prior discussion with the President. That M. Wintrebert was one of the best types of French officials who had served in Indo-China. That he had been born in Hanoi and lived most of his life in Vietnam. That Mr Durbrow had been saying that the President was stubborn and hard-headed, but now he is impressed.

6. He said that M. Wintrebert referred to the loss of Dien Bien Phu as minor compared to the loss of the High Plateau and said that

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the Ambassador. Also paragraphs 28–32 and 49. Other parts if revealed would only cause dissension." Williams' report to Durbrow of the same date is also attached to the source text but not printed.

the French had brought their best legions—crack units—from Korea only to have them wiped out in the High Plateau. (This is an exaggeration—the French Bn I saw in Korea that came here in 52 or 53 could not be classed as a "crack unit." STW)[2]

7. The President said that Mr Durbrow was beginning to learn what he had always told him.

8. Gen Williams said that Gen Brown, Chief of PEO in Vientiane, Laos, was in Saigon this week and had told him that the Chief of Staff of the Army in Laos had ordered Engineer units into Pak Se in order to start repairing the road toward Kontum.

9. The President said that Laos wants to explain its position in Washington. That the President, Souvanna,[3] and his Foreign Minister[4] are coming through Saigon the 4th or 5th of January. That the Foreign Minister is coming along to try to keep Souvanna in line. That the Foreign Minister will then return to Laos while Souvanna goes to Paris to seek French advice before going to the US. That Souvanna speaks glibly about anti-communism; *but that Americans ought to transact all their business with him in writing.*

10. Gen Williams indicated surprise and interest.

11. The President said Laos wants very much to make a good impression in the US.

12. He said. "In any case, we (GVN) are making progress." Gen Williams agreed.

13. Referring to his approaching visit to Burma, the President said that Mr & Mrs Nhu left for Burma that morning (20 Dec) for a 4 day visit and added *"I am doing the US diplomats' work for them."*

14. The President said that people ought to appreciate the help he is giving them and that is why the reduction in US aid makes him "really angry."

15. He said that without US aid, VN will make no progress. That he had hoped in *five years* VN would be self-sufficient and even able to support most of its defense budget. But that the reduction in US aid paralyzes progress. That VN will have to depend on the US indefinitely.

16. He said Korea and Formosa have limited economic possibilities and no one knows when they will become self-sufficient. That to rely on US aid indefinitely is bad. That in 5 years, VN with increased US aid could become self-sufficient, even for the defense budget, except for some loans.

17. He said US policy is short-sighted and makes his programs drag on and on. That it is not economical in the long run.

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[2] Samuel Tankersley Williams.

[3] Prince Souvanna Phouma had become Prime Minister of Laos in March 1956.

[4] Phoui Sananikone.

18. The President said he would like to send 1 or 2 Public Works experts to look at any Engineer equipment in the depots to see if they can expedite spare parts supply. Gen Williams agreed it was a good idea to get their recommendations if they had any to make.

19. The President said it takes too long to get spare parts for machinery through USOM channels. That he was considering using some of his foreign exchange to buy critical spare parts abroad.

20. Gen Williams said this should not be necessary for military equipment. That he had been severely criticized recently by a visiting inspection team for requisitioning some medical supplies which turned out later to be already on hand in VN. That he told the inspection team that this is true and that it is quite possible he is doing the same thing in respect to spare parts for machinery. That in fact, all the tech services may be doing it. But that he is having an inventory made as quickly as possible to avoid just this condition. The TERM has been working along those lines now for over a year.

21. Gen Williams said the VN officers are not entirely to blame for the situation. That when the French left, they dumped case afer case of spare parts out in the open exposed to the rain. That the labels had been washed off the cases and no one knew what was inside. That in any event, the cases were often full of assorted spare parts which the French had dumped into them carelessly. That the VN officers who received this equipment were utterly untrained in how to classify and store it, because the French had never permitted them to take responsibility, nor had ever taught them how to operate logistical installations.

22. The President asked whether the Korean Army Corps of Engineers is well advanced.

23. Gen Williams answered that from his past observation he would say they are excellent. That they had been advised by US officers for many years. That they had progressed so fast and had taken over so much responsibility that, he understood in 1953 it became necessary to stop and draw back a little because evidence of dishonesty and corruption had appeared. That he remembered when you could by radio parts in blackmarket on the streets of Seoul more easily than you could draw them from the depots.

24. Gen Williams added that he believed such a condition would be impossible in VN because US advisors watch every operation too closely and because of Pres Diem's well known intolerance of dishonesty. He said there might be isolated instances of petty graft; but large scale black marketing of military equipment is impossible.

25. The President said he wants the Kontum–Mo Duc road completed on time.

26. Gen William said the meeting that morning (20 Dec) would energize it. That many little things could be done at once as a result of the meeting. That the case of the Philco technicians was an example. That his Engineers together with Assistant CO, 12th Light Div had tried to find quarters in Kontum for the Philco technicians, but the VN wouldn't rent quarters. That these technicians are available and could be in Kontum helping the road project; but they can't go until there is a place for them to live. That the President's personal interest in the project as expressed at the meeting should give the project a push and energize it.

27. Gen Williams reminded him that the US Engineers had said the road could be completed in 1958 provided it received adequate support from Saigon.

28. The President said the High Plateau was unknown territory to most people until the attempted assassination of the President in Ban Me Thuot last February. That this attracted their attention to the area and now they know more about it.

29. Gen Williams asked whether any army troops had been employed on security during the President's visit to Ban Me Thuot 19–20 Dec.

30. The President said very few. (Actually I saw none.)

31. Gen Williams said he asked because he had not seen any soldiers guarding the roads.

32. The President said again that before the February assassination attempt, the area was not well known. That now you get the impression that it has been settled for 50 years. That this obvious progress gives everyone a sense of confidence.

33. The President said he wants to accelerate the Kontum–Mo Duc road project by having the Dept of Public Works construct 20 or 30 km of road starting from Mo Duc on the Coast. This is appropriate because this section of the road is in the province of Quang Nai and not in the High Plateau. That he wants them to get something accomplished before the rainy season.

34. Gen Williams agreed, saying that they ought at least to start widening the right of way.

35. The President said it will give the people in the Hue–Tourane area confidence to know that they can get to the High Plateau quickly and vice versa. That this uplift of spirit is contagious and will animate the whole area. That possibly its effects will be felt across the 17th parallel.

36. Gen Williams said the road offers every advantage, both military and economic.

37. The President said that the last priority on the road is clearing and grading the right of way and getting the bridges in.

38. Gen Williams emphasized the importance of clearing so that the sun can get to the road and dry it.

39. The President said that corrections and refinements can come in 1959. That crushed rock can be stock piled along the road for these corrections in 1959.

40. Gen Williams said one of the most important things is to get the steel bridging materials. That the most important thing is a sense of urgency. That the President had certainly imparted a sense of urgency to the people at the meeting that morning.

41. The President said the French had made great efforts in the High Plateau. That the situation in the High Plateau in Laos had hurt them seriously—much more than Dien Bien Phu.

42. Gen William agreed saying that Dien Bien Phu was only the last of several defeats but it probably caused the signing of the Armistice.

43. The President said VN must hold the High Plateau or lose the entire central country.

44. Gen Williams said US military officers had known this for a long time.

45. The President quoted M. Wintrebert as saying that the visibility for aircraft in the High Plateau is not just poor, it doesn't exist. The President said that this was the first time he had heard a Frenchman say this.

46. The President said he is putting most of his road building effort toward the north. That others like Capital Engineering and Johnson Drake & Piper chose easier routes. Gen Williams agreed that road building in the North–Central section was a great importance.

47. The President said he wants to have a route from Dak To to Hue reconnoitered. That he would have a better feeling of security with such a road. (This is extension of Highway 14 north of Kontum.)

48. He said there are so many difficulties that most people don't even want to think about them.[5]

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[5] The following exchange occurred during the conversation between Diem and Williams held December 13:

"104. The President said that if he could spend two months concentrating on the Army to the exclusion of everything else, then the Army would run more smoothly. That everytime the Army wants to spend money, he asks why, that he tells them over and over that they must accomplish things with the smallest expenditure possible. That what he needs is several good administrators.

"105. Gen Williams said he feels sure Vietnam will have them someday.

"106. The President paused, looked down, and then said, 'if we don't accomplish something strong and vigorous in 1958, I fear the future.'

"107. Gen Williams said he should never say anything like that. Someone might think he was despondent.

"108. The President said, 'I say that only to you.'

Continued

49. The President said that north of Kontum he is establishing Montagnard resettlement centers. That the streams in that area flow into Laos and the Montagnards believe their interests lie in the direction where the water flows. That the Communists (in Laos) are trying to attract the Montagnards to their side and many have moved over. That he is anxious to draw them back and get them settled in the centers. That USOM aid takes too long and he has started the project by himself.

50. The President said he had set up an air strip for L–19 aircraft in the forest 30 km from Hue in the direction of Laos. That this area is a possible invasion route and it has no communications. That now there is an air bridge to it and it is less isolated. That he had told Gen Don (CG, I Corps)[6] to build a bicycle trail from Hue to the air strip. That in case of war, if the VN defenses along the 17th parallel are strong, the Viet Cong will try to *outflank them* through this area even though they *must violate the neutral territory of Laos to do it.*

51. Gen William remarked that it was obvious the President surely studies the terrain of his country and thinks of these things.

52. The President said he has lots of ideas because he has studied these problems closely for many years.

53. The President said he wants to move ahead and get some things done very quickly, so he can study other problems. That he must *arouse* the people.

54. The President said that some people (i.e. foreigners) say he is thinking in the clouds and is not a realist. That they will understand in 5 years time—or earlier if there is an invasion. That on the trips to Ca Mau and Ban Me Thuot last week they saw that his feet are planted on solid ground. (*Note:* Pres had taken several ambassadors on these trips within last few days.)

55. He said that he built the resettlement centers at Ca Mau and USOM didn't care to see them until after everything was installed. That in planning for development here, you must take Asian conditions into account.

56. Gen Williams said conditions in every country are peculiar to that country.

57. The President said the US developed in peace for hundreds of years; but VN is practically in a state of war.

58. *Gen Williams said yes, GVN must consider they are in an armistice period.*

59. Gen Williams and Lt Col Foster departed 1200.

"109. Gen Williams said, 'I am sure you will win in the long run.' " (Memorandum of conversation; Center of Military History, Williams Papers, Conversations with Diem 16 Sep 57–28 Dec 57; drafter not indicated)

[6] Tran Van Don.

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